THE CHINA WEEKLY

REVIEW

Devoted to the Economic, Political and Social Development of China and its Intercourse with Other Nations

Why the Japanese Deported Mr. T. C. Tang

Making a New China Out of a War-Torn Nation

By Nicholas Roosevelt
In the New York Times

Can China Become a Great Military Power?

By Harvey R. Harris

China and the League Council

By Tan Shao-hwa

A Chinese Student in the Ford Works

By Chen Nan-li

評論報 民國

SATURDAY, SEPTEMBER 15, 1928

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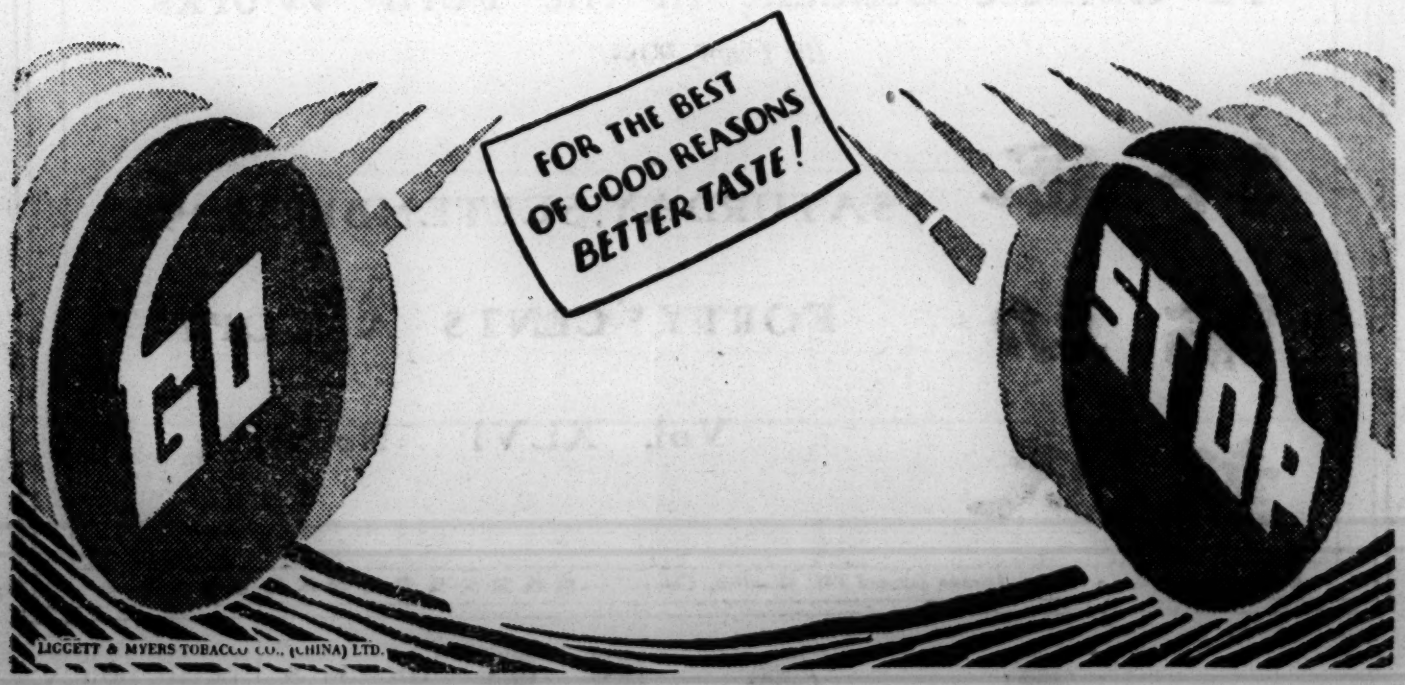

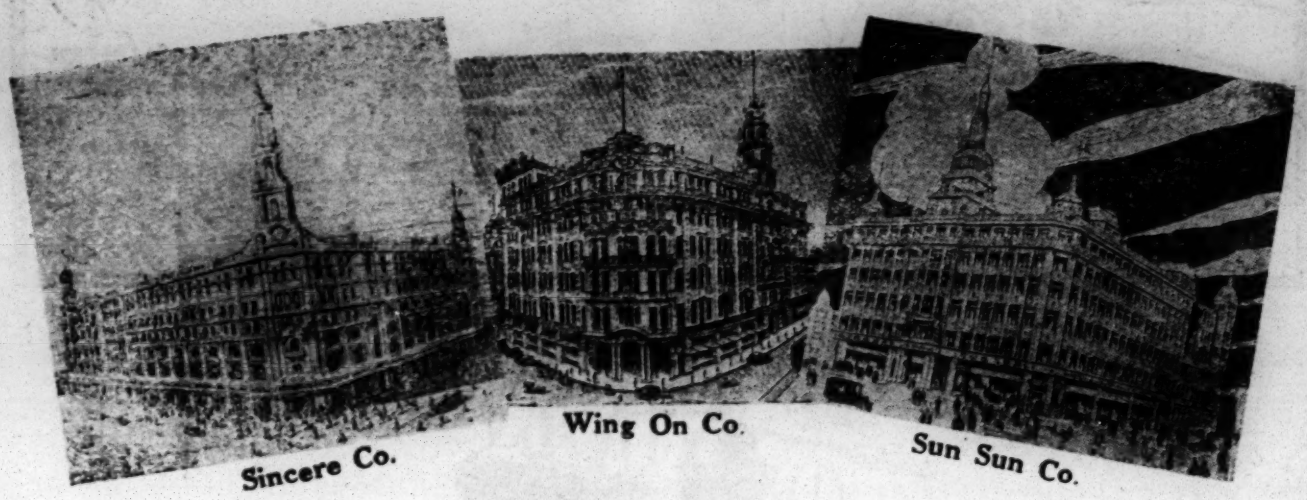

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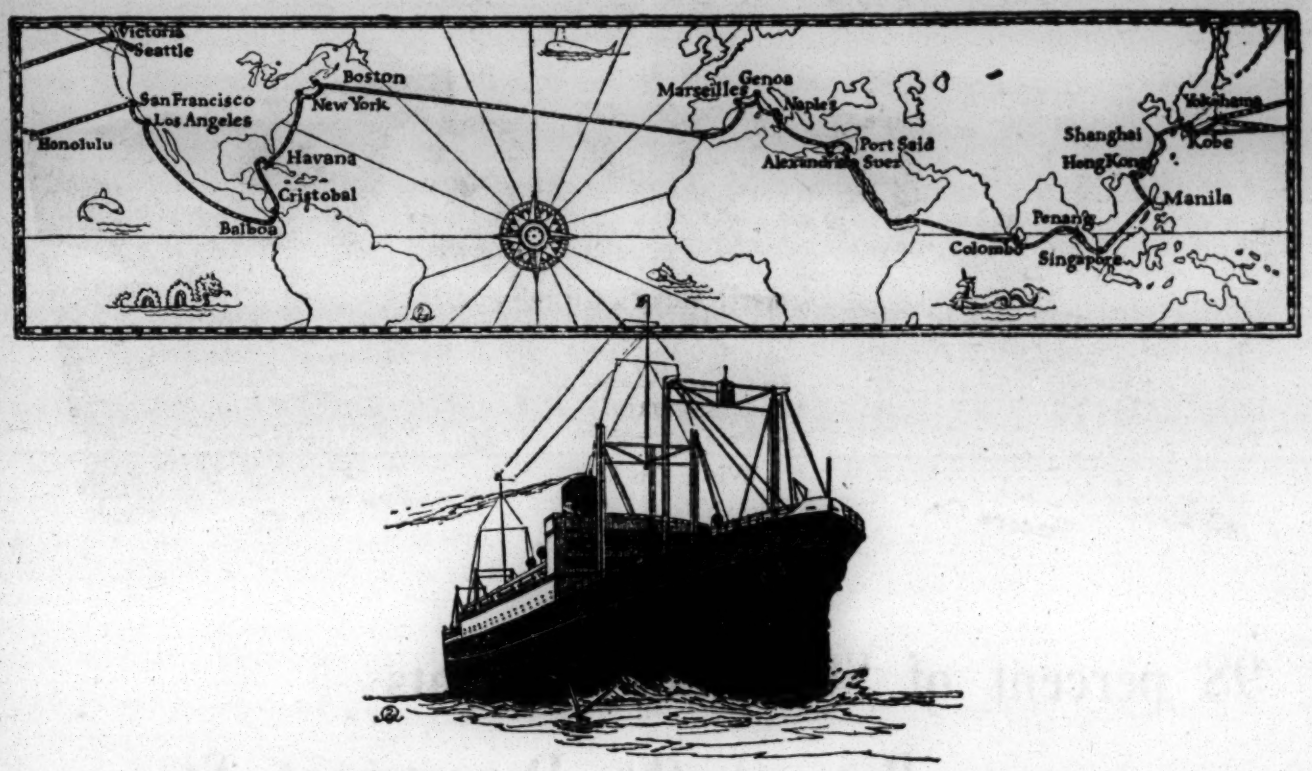

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THE CHINA WEEKLY REVIEW

Formerly Millard's Review

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RESULTS OF JAPAN'S ANTI-COMMUNIST ROUND-UP

THE JAPANESE Government has finally raised the ban on the publication of news pertaining to the trial of alleged communists arrested last March—six months ago. As a half year has elapsed since the nation-wide round-up of alleged communists, the public has practically forgotten what it was all about, but according to a *Reuter* report from Osaka on September 8, we are informed that thirty-five defendants were found guilty in the preliminary court investigation at Kobe and are to be held for public trial. And who are these fierce communists who were caught in the police dragnet? Well, it's a serious matter, but it must be told! One was a young man named Ishida, formerly a Baron who had been reduced from the peerage on account of his leaning toward communism. As to the remainder: were they fierce bewhiskered Russian bolsheviks carrying bombs under their blouses? No, the remaining thirty-four consisted of a bunch of Japanese school boys the average age being about twenty years! When the anti-communist raid was conducted in Japan last March the newspapers and even the foreign newspaper correspondents were forbidden to touch the story. Some of the foreign correspondents did succeed in smuggling the news over to Shanghai from which point it was cabled abroad and got big headlines in the newspapers in America and Europe. The Japanese Government was responsible for the ominous reports that made the thing appear that Japan was on the verge of bolshevism and everybody was alarmed. Baron Tanaka and the military clique which dominates the Japanese Government made the most of the situation to further establish themselves in power, Tanaka's ambition being a dictatorship in the latest Mussolinian style. This round-up of alleged communists was used by the Tanaka Government to get through a "dangerous-thought" law which has had the effect of stifling all independent thinking in the country. Now six months afterwards the news-ban is removed and we find that all the excitement was over a bunch of Japanese school kids who distributed literature attacking the government party at the last election. The recent report from Osaka stated that these dangerous children—flaming youths in all probability—had formed "secret groups or cells" and had distributed radical literature containing "communist slogans." The report also hinted that there are to be charges of "lese majeste," which makes the situation still more alarming. The Japanese Government and police are to be congratulated on their success. Surely it's a serious state of affairs when a great and sovereign and all-powerful government is being menaced by the activities of a group of thirty-four school children! Shanghai Municipal Council please note!

WHY THE JAPANESE DEPORTED MR. T. C. TANG

MR. T. C. TANG, who was born in Hongkong, and who received his educational training at Dartmouth College, for the past three years has been assistant director of the Tsingtao Wharf and Harbor Office. He was appointed to the position when Gen. Chang Chung-chang was in control of Shantung Province and should have been acceptable to the Japanese because they have kept in office all of the former Chang Chung-chang officials and are also keeping the old five-barred Chinese flag flying from the Tsingtao administration building. Mr. Tang's job in Tsingtao has been the management of the Tsingtao public wharves; in other words he assigned spaces to the ships which called at Tsingtao and attended to the matter of collecting the harbor and wharf dues. He had about 3,000 Chinese wharf coolies under his control. About three weeks ago Mr. Tang made a business trip to Shanghai, but he hadn't been here but a day or so when he received a telegram from his wife that Japanese consular police, without warning had entered their home and searched it from basement to garret. Mrs. Tang immediately wired her husband and he caught the first available steamer back to Tsingtao, a Japanese boat. When the boat entered the Tsingtao harbor it was met by a launch flying the Japanese flag and carrying several Japanese consular police who placed Mr. Tang under arrest without telling him the cause of the action. Finally the Japanese consular officer did state that he had received his orders from the Japanese military in Tsingtao. Mr. Tang demanded information as to the rights of the Japanese to arrest Chinese citizens, officials, upon their own territory, but the Japanese police merely shook their heads. When the boat came alongside the jetty, Japanese police attempted to take Mr. Tang with them, apparently for the purpose of confining him in jail, but several of Mr. Tang's American and British friends in Tsingtao interceded in his behalf and the Japanese finally agreed to modify their sentence to deportation—giving him exactly 48 hours to get out of town. They carried out this sentence to the minute, and during the 48 hours he was in Tsingtao he was not permitted to enter his office or to appear on the streets. His house was surrounded constantly by Japanese soldiers and consular police.

AMERICAN and British friends of Mr. Tang, after considerable inquiry, have discovered the cause of Mr. Tang's deportation at the hands of the Japanese. At least they have the Japanese statement, which is to the effect that Mr. Tang had been communicating with the Nationalists; that he had supplied information detrimental to the Japanese military activities in Shantung to the foreign and Chinese newspaper correspondents; that he had received communications from Chinese in other parts of Shantung who were antagonistic toward the Japanese intervention program. This was the Japanese story, but there is more to it than that: About three months ago an American cargo boat called at Tsingtao with a cargo of lumber from Portland and was assigned a place at the public jetty. The Japanese wanted that space for one of their troop-transports and insisted that Mr. Tang move the American ship. Mr. Tang refused and referred the matter to the American Consul and as a result of the intercession of the American Consul the American ship remained at the place which had been assigned to it. Then Mr. Tang made public the fact that the Japanese had not paid a cent of harbor dues on any of their troop-transports or munition shipments. As a result of his report the Japanese were forced to pay up—but not the full amount; they actually paid only half the amount which other shippers are forced to pay. Then Mr. Tang opposed the Japanese intrigue which has been going on for some time at Tsingtao to "internationalize" the Tsingtao wharves and harbor works. The Japanese want a hand in the control of the Tsingtao port facilities and ever since their troops have had control of Tsingtao and Tsinan and the 250-mile Chinese-Government railway connecting the two cities, they have been pressing for the "internationalization" of the port, which if accepted would place the Japanese in control with a few American, British and German "yes-men" added to take the curse off the Japanese control. Then finally, Mr. Tang and his superior, Mr. Kung Ta, the director of the Tsingtao wharves and port facilities, have blocked the further payment of money to the ex-Chang Chung-chang soldiers which are still in control of eastern Shantung in the vicinity of the area which is now controlled by the Japanese. Now it is reported that Mr. Kung Ta has also been forced to flee from Tsingtao, thus leaving the Japanese in complete control. The Japanese have constantly brought pressure upon the Chinese administrators of Tsingtao to pay the Northern troops, their excuse being to prevent the soldiers from looting, but the real reason being to prevent the soldiers from turning over to the Nationalists. Mr. Tang and Mr. Kung Ta were able to finally block further payments from the wharf funds to these Northern troops and this antagonized the Japanese interventionists. It is possible that Mr. Tang did communicate these things to the Nationalist Government: what patriotic Chinese would have acted differently under similar circumstances. Now that the Japanese have finally deported Mr. Tang, the chances are that he will do considerably more reporting to the Nationalists about Japanese activities for it is reported that he has kept a close record of what the Japanese have been doing since they intervened in Shantung last spring. Mr. Tang formerly was an official under the Northern regime. The Japanese have succeeded in making a thorough Nationalist out of him as they are doing with several millions of his countrymen both in Shantung and Manchuria. And still the Japanese profess to wonder why they are generally regarded with suspicion both in the Orient and the Occident!

PITTSBURGH AND MANCHESTER ARE CHINA'S FRIENDS

IT IS MORE than a coincidence that the two great industrial centers of America and England are taking the lead in demanding a square deal for China in the matter of treaty revision. If one would believe most of the radical literature spread abroad about Western imperialism, these two great industrial centers, Pittsburgh for iron and steel and Manchester for cotton piece-goods, ought to be the ring-leaders in a capitalistic scheme for enslaving China. But the reverse is the case. Recently when the British Government signed the new tariff treaty with China, the news was joyfully received in Manchester and now we read an article in the *Washington Post* of Washington, D. C. stating that Congressman Porter, who represents the Pittsburgh industrial district in the U. S. Congress, has been the leading advocate for complete treaty revision between the United States and China—yes, including both the tariff and extraterritoriality. Last year Mr. Porter introduced a bill in Congress calling upon the State Department to immediately take up with China the question of treaty

revision and now, according to the news reports, the Pittsburgh Congressman is urging the United States to go ahead and take the lead in the revision of all of the treaties. Mr. Porter cannot be accused of ignorance on the subject, for he has been in China and studied the situation at first hand and has always maintained close connections with China's repesentatives in Washington, especially Dr. Sao-ke Alfred Sze, the Chinese Minister. The reason for the liberalism of Pittsburgh and Manchester on this question is due to their desire for trade and the firm conviction on the part of the industrial interests there represented that a free and independent China would provide a better market than that now provided by a China bound down to a semi-colonial position by antiquated treaties. The manufacturers and capitalists of Pittsburgh and Manchester are not cracked-brained idealist with their heads in the clouds. No, they realize that a free and independent China will enable China's leaders to embark upon a campaign of reconstruction which may rival that of Japan during the past quarter century or that which has taken place in America in the past half century. And they know if this comes about that Pittsburgh and Manchester will benefit. Neither Pittsburgh not Manchester are interested in the maintenance of a few "special privileges" in China which are of no particular benefit to the larger trade interests of America and England. Pittsburgh wants to sell its surplus products and Manchester wants to get its cotton mills going again. Neither is interested in maintaining an artificial and unnatural political position in China which may be of financial benefit to a few ex-patriated die-hards, but of vast detriment to the immensely larger interests of America and England in China.

CHINESE—AND SOME OTHER DIALECTAL TROUBLES

MR. VINCENT SHEEAN, the writer, has performed a considerable service for China by correcting a current superstition regarding this country which is generally believed in both America and Europe. We refer to the popular belief held abroad that Chinese from different parts of the country cannot understand each other. While this is true for certain parts of the country such as the coastal ports, it does not apply to fully three fourths of the country where the language, with certain dialectal variations, is remarkably homogeneous. Mr. Sheean's comment on this subject appeared in connection with a review of Marguerite Harrison's new book "Asia Reborn" in which she repeats and gives further circulation to the superstition that the Chinese language varies in the different provinces to such an extent that the Chinese cannot understand each other. The review appeared in the *New Republic* for August 15. While it may be true that a Cantonese coolie cannot understand a Shanghai coolie, this would not be true of educated Cantonese and Shanghai residents. Chinese from Szechuen, Kwangsi and Chihli Province which are separated by thousands of miles can understand each other without much effort. It's the Chinese from the coastal ports who has difficulties, but this only applies to the peasants because all Chinese who have attended school for any length of time have learned the same language. Since most foreigners in China live in the coastal ports it is probably natural that they should themselves believe the superstition and pass it on to the tourists who spread it over the world. Americans and Britons who are chiefly responsible for the circulation of this superstition about the Chinese language overlook the fact that the English language probably has as many dialectal variances as has the Chinese language, witness the amusing spectacle of an American marine in Shanghai trying to argue with one of the British troopers. An excellent example of dialectal differences in the United States is provided in a new novel of the Tennesee-Kentucky mountain region, "The Happy Mountain," which was written by Maristan Chapman. We would like, for example to have some of our American and British readers explain to us the meaning of the following words, "ansund," "bearm," "blinky," "bodaciously," "cosset," "cud," "edzact," "eveglom," "fere," and a few dozens of similar words which appear in no standard dictionary, but which make up a considerable portion of the language of the Kentucky-Tennessee mountain folk. And these people are of pure English stock, but who have been isolated so long that their language differs so materially from that of other parts of the United States that it is practically unintelligible. China's language variations are due to the same complications—isolation and lack of intercourse, which of course will be remedied with the development of better means of communication and the spread of general education. But even with the dialectal complications of the coastal ports, there are still more Chinese people talking the same language than there are people speaking any other single language in any other part of the world.

SHANGHAI POLICE AND THE TSINAN BOOKLETS

THE CHAIRMAN of the Shanghai Municipal Council, Mr. S. Fessenden is to be congratulated for his action in effecting a settlement of the incident created by the raiding of the Shanghai office of the Ministry of Foreign Affairs by the Municipal Police. According to a statement circulated by the *Kuo Min* news agency on September 10, the booklets dealing with the Tsinan incident and other documents seized at the time of the raid, have been returned to their owners. Whether the Council has apologized is not known at this time, but it is possible that an apology will be arranged shortly. The so-called raid took place on August 28 when an English detective employed by the Police Department, acting on orders of the Chief of Police entered the office of the Ministry of Foreign Affairs at No. 25 Jinkee Road and confiscated a package of booklets which had been issued by a Chinese organization dealing with the Tsinan incident in Shantung Province last spring. The policeman who entered the office had no warrant: he simply entered the Chinese Government office and helped himself to a number of pamphlets and carried them over to the Criminal Intelligence Department of the Shanghai Municipal Council. The Chinese immediately protested to the Shanghai Consular body over the violation of their office and for a time it appeared that the incident might have the effect of reopening the whole controversy over the status of the International Settlement. As it is considerable hard feeling has been produced and Chinese organizations in various parts of the country have been passing resolutions of protest. It was originally stated in the Chinese newspapers that Mr. E. S. Cunningham, the American Consul-General who happens to be chairman of the local consular body, had informed the Chinese that the Nationalist Government had no right to establish offices within the International Settlement, but the Chinese are reported to have replied to this that the Chinese Government has

always had offices within the Settlement and in view of the fact that the entire Settlement area is Chinese territory that the Settlement authorities have no right to interfere. The Chinese indignation over the incident was based on two points: First, the action of the police in entering the office and confiscating literature without a court warrant; and second, the fact that the police only concerned themselves with literature bearing on the Tsinan incident, while they have paid no attention to the wholesale distribution here of literature prepared by Japanese interests giving the Japanese side of the Tsinan controversy. In view of Japan's past actions in attempting to suppress the Chinese viewpoint on the Tsinan incident, the Chinese naturally assumed that the police raid had been inspired by the Japanese, hence the Chinese indignation. The main issue in the whole affair, in our opinion, was based upon the action of the police in entering a Chinese office without a warrant. The Police Department of the Settlement is always most careful in taking action of this kind if the premises happens to be foreign, but heretofore they have seldom bothered about a court permit if the premises happened to be occupied by Chinese. If the Chinese are wise they will take advantage of the present incident to insist upon a show-down on this question and see that in future the police observe the same legal formalities in respect to Chinese as they have always observed in respect to foreign premises. Last year there were two glaring incidents illustrative of illegal police methods in the International Settlement. One was the case of the *China Courier*, a Chinese newspaper which was leading the fight on behalf of Chinese interests against the right of the Settlement to levy taxes upon the Chinese without granting the Chinese the right of representation on the Municipal Council. In this case the police arbitrarily entered the premises of the *Courier* and cut off the electric light and power supply and did it without a warrant of any kind. The other case pertained to the Chekiang Industrial Bank, the manager of which, Mr. Li Ming, was chairman of the Chinese Bankers Association and likewise was taking the lead in the fight for Chinese representation on the Council. In this instance the police arbitrarily entered the bank and forced the officials of the bank to hand over to the police all revolvers on the premises which were being used by the Bank's guards for protective purposes. This was likewise done without any order from the local Provisional Court.

Shanghai's White Russian Mercenary Army

THE *Shanghai Times*, on Sunday, September 9 published an article which obviously was inspired by die-hard elements in the Shanghai Municipal Council and Police Department that contained information which should be of interest to the Nationalist Government and Chinese people generally as well as to foreigners interested in the future welfare of the settlement. The article which appeared on Page 1 of the paper told of the immediate plans of the Council to increase the strength of the White Russian Mercenary Volunteer Corps from 120 to 250 men, the announced purpose being to provide further protection against armed robbers and kidnappers, but the real purpose being exposed down in the article when the writer used the expressions, "little republic of Shanghai," "military defence force," "homogeneous and communal group in the 'family of nations' making up the Foreign Settlement of Shanghai," etc. It was further stated, while this new defense force is popularly known as the "Russian Company, S. V. C." thus giving the popular impression that they are actual volunteers similar to the American, British and other volunteer units, that these new Russian units are actually paid by the Municipal Council. Then there was other strange information to the effect that while they are paid by the Municipal Council, which is supposed to be international in that it derives its authority from an international Consular Body, nevertheless these White Russian mercenaries wear British uniforms.

WHAT IS happening is that the Shanghai Municipal Council, or to use the term invented by the writer in *The Times*, the "Republic of Shanghai" is beginning the building up of a standing army of mercenary troops for use in the defense of the Settlement against the Chinese, the real sovereigns of the land and who pay approximately eighty percent of the taxes which go to support the local administration. This ought to be a matter of vital interest to the Chinese people generally and particularly to the Nationalist Government because it indicates that despite all that has happened in China in the past few years and the obvious intentions of the Powers to relinquish their "special rights" in China, the Shanghai Municipal authorities are still quietly working along the line of creating a perpetual foreign political entity here. And this despite the fact that the Council last year was forced by public opinion both in China and abroad to take the first steps toward a readjustment of its relations with China by appointing three Chinese to the Municipal Council and six other Chinese to membership on the various administrative committees. It would be interesting to know how this proposition was "put over" on the Chinese members of the Council who are supposed to look after Chinese interests, but we imagine the Police Department of the Council did the job by exaggerating the armed-robber and kidnapping "menace" and thereby making the Chinese believe that the action was necessary on that basis.

THAT this new action constitutes a potential menace to the future peaceful and friendly relations of the Chinese and foreign interests here is obvious because at the first sign of trouble these White Russian mercenaries will be ordered out on the front lines to do the "protecting" of the Settlement with their new British uniforms and army rifles. It will be interesting to note the reaction to this move of the Council when the information becomes known in Washington and London, particularly in London where a Labor Government shortly will be functioning. In taking this action the Shanghai Municipal Council puts itself into the catagory of the bandit-tupan, Gen. Chang Chung-chang of Shantung, who has been employing White Russian mercenaries for several years in his battling against the Southern or Nationalist forces in China. There is no question regarding the previous status of these Russian "volunteers" because the carefully-worded article in *The Times* explained that "*Members of the units form a tiny remnant of the Imperial Russian (Czarist) army, dressed in British uniforms, and serving loyally their new protectors with whom they found refuge after their political misfortunes in Russia.*" We do not know much about British army

regulations, but we imagine there are a considerable number of influential persons in England, especially among the labor leaders, who will be interested in this curious use of the British army uniform by the Shanghai Municipal Council. We know that there would be a considerable eruption in Washington should it become known that a group of American citizens abroad had dressed a bunch of ex-Russian czarist soldiers and officers in the uniform of the United States Army or Marine Corps.

WHAT the Chinese Government should do is to demand the immediate disbandment of this mercenary force as a menace to the friendly relations of the Chinese and foreign interests at Shanghai. If the Chinese Government would do this, it is practically certain that the Powers chiefly concerned in the welfare of the Settlement would support the Chinese and force the Council to take immediate action. The employment of these White Russian mercenaries actually constitutes an unmistakable sign of decadence in the morale of the Foreign Settlement which heretofore has depended upon its police department and volunteer units for the preservation of order during times of political trouble. What the Council should do is to work out some form of cooperation with the Chinese military and police authorities in the Chinese administered areas about the International Settlement for this undoubtedly was and is what the Powers have in mind in the gradual relinquishment of the local foreign administration to Chinese control. This was indicated in Mr. Kellogg's statement regarding the status of Shanghai last year and more recently in the declaration of Dr. Stanley K. Hornbeck, chief of the Far Eastern Bureau of the State Department. Similar declarations have also been made by Sir Austen Chamberlain on behalf of the British Government. But die-hard Shanghai remains die-hard despite all that has happened in the relations of China and the Powers in the past three years and particularly all that has happened in the development of nationalism within China in the last half-dozen years. A few days ago one of these White Russian mercenaries fired on a motor-car loaded with Chinese when the chauffer of the car failed to stop to be searched. One man was seriously wounded. Let a few incidents like this happen and Shanghai will again be in an uproar and everybody will be yelling for the Powers to send their troops back. It is needless to state that foreign nations are about fed up with the Shanghai attitude, which has so long constituted a menace and danger-spot to the friendly relations of Chinese and foreigners, so that it would not be surprising that this new move of the police department of the Council may result disastrously to the best interests of those who would like to see a gradual and peaceful readjustment of Sino-foreign relations here! Instead of increasing the foreign personnel of the police Department the Conncil should be gradually decreasing the number of foreigners, including Sikhs, and increasing the number of trained Chinese. The French Concession, according to report has been gradually decreasing its corps of Annamite recently and adding Chinese, but the French have always acted more intelligently in their relations with the Chinese than have the powers that be in the International Settlement.

American School Student Injured

John Caldwell, a student of the American School in Shanghai, while on his vacation near his home in Foochow, recently, fell from a ledge 120 feet high. The incident took place near a swimming hole. The youth sustained serious injuries and also contracted spinal meningitis. He is, however, rapidly recovering.

Chu Chao-hsin Entertained by Chinese General Chamber of Commerce

Chu Chao-hsin, who for several years has represented the Chinese Government in Great Britain and at the League of Nations at Geneva, returned to China several months ago and was appointed Commissioner of Foreign Affairs at Canton. Recently Mr. Chu was appointed Vice-Minister of Foreign Affairs of the Nationalist Government, and according to recent report is scheduled for the post of Chinese Minister to Japan. When Mr. Chu was in Shanghai on September 1, he was entertained by the Chinese General Chamber of Commerce at which time the Chinese merchants in Shanghai expressed to him their appreciation for services which he had rendered to China while serving as a diplomatic representative in Europe.

Mr. Chu Chao-hsin, Vice-Minister of Foreign Affairs of the Nationalist Government.

Mr. Chu is a native of the Hua-hsin district of Kwangtung Province where he was born in 1880. After receiving his early education in Canton and at the Imperial University in Peking, he went to the United States where he studied at New York University specializing in commerce and finance. He then entered Columbia University where he specialized in political science receiving the degree of Bachelor of Science. After his return to China he taught in schools in Peking, but later resigned to become secretary and political counsellor to the President's Office. When the First Parliament was convened in Peking, Mr. Chu Chao-hsin was elected a Senator representing overseas Chinese. Later he served as a member of the Kuomintang on the Constitutional Drafting Committee. Since that time he has served in various official capacities including Mixed Court Magistrate at Kulongsu, Amoy; Commissioner of Foreign Affairs for Kiangsu, English secretary to President Feng Kuo-chang, Consul-General at San Francisco and First Secretary, Chinese Legation at London, Charge d'Affairs at London, Chinese representative at various international opium conferences at Geneva, representative at the Third Assembly of the League, etc.

Chinese Post Office Uses Slogan on Mail Matter

The Chinese postal employees in Shanghai are using a rubber stamp like this:

廢除不平等條約
To Abolish Unequal Treaties

on the mail matter passing through their hands, for example on the backs of envelopes, on newspaper wrappers and on postal parcels. It is a form of propaganda much used in America and other Western countries.

No Taxation System for Shantung Famine Relief

According to a letter from Wm. R. Johnson, general secretary of the China Famine Relief, New York City, the statement made in *The Review* of June 30, under the heading "China Famine Relief Making Good Progress" that "a taxation system is to be introduced" in connection with famine relief work in Shantung, is not correct.

American Comment on Japan's Manchurian Policy

Manchuria Not Lost to China

(From the New York Sun, August 15)

The fate of Manchuria scarcely can be considered as determined, but the reports of an agreement between the young ruler of that province and Japan bring something of a relief to the nations interested in the Far East. When Chang Hsueh-liang took up the military governorship, which fell to him by the death of his father, Chang Tso-lin, he showed a leaning to the Nationalist party at Nanking that was especially disturbing to Tokio. He announced himself in favor of a unified China and a development of a new nation by the Chinese themselves. Nanking naturally fostered such a sentiment; it proposed to place young Chang securely in control and give to him an unquestioned mastery of the domestic affairs of Manchuria if Nanking could dictate and manage its foreign affairs. As the most important items of Manchuria's foreign policy were those concerning Japan, Tokio was not slow in discerning what would be its position if an anti-Japanese Government should be in power at Nanking.

Chang Tso-Lin always justified the pro-Japanese stand which he took. He denied that he was a "vassal of Japan" that his acts were controlled by orders from Tokio and that he was maintaining Manchuria as "a Japanese monopoly." He needed Japan and he did not hesitate to say so. In the first place, his country, with its rich natural resources and its harbors, was one of the Far East goals of Russian diplomacy in the regime of the Czars, and it continued so under the rule of the Soviets. He fought Moscow and saved Manchuria from Bolshevism. He was not strong enough alone to save it from Soviet Russia. He knew that Japan had the same fear as his own of Soviet progress in the Far East, Japan had to protect its hold on Port Arthur, the freedom of harbors on the northern arms of the Yellow Sea and it had to watch its control of Korea.

In the next place, Manchuria required industrial development if its natural wealth was to be of value to the country. Japan built railroads and towns; it poured capital into the province and it sent the labor which Manchuria did not have. Manchuria was spared from the devastation of the civil war that swept over the other eastern provinces. It was Chang's own ambition to be master at Peking that caused him to enter the struggle. He lost his prestige as a Chinese leader and eventually he lost his life. It was perhaps not Japan's wish that he should undertake to settle the Chinese war. Japan had a better understanding of the difficulties that confronted him than he had himself. It wanted Manchuria to stay out of the squabble; it had spent money and labor and it had yet to reap its reward.

Nanking may be expected to smart under this agreement. It could scarcely improve matters if it were to open hostilities by invading Manchuria. The Nationalists' experience in Shantung with the Japanese soldier was not such as to encourage a resort to arms. In an economic boycott against Japanese products the Nationalists have at their hand a means of combat which they have tried before. Manchuria by this agreement with Japan is not lost to them. The Japanese Government disclaims any intention of interfering with the domestic policy of China and any desire to annex Manchuria. Young Chang says that the reason he suspended negotiations was "the uncertainty of the Nanking Government." That "uncertainty" is one of the conditions in China which interests the world, but it can and will be removed if Nanking persists in the course which it has undertaken to follow.

Japan's "Positive Policy

(From the New York Times, August 15)

Reports from Tokio indicate that the Manchurian leaders have accepted Japan's advice to them not to affiliate with the Chinese Nationalists. Being practical men, they have apparently decided that "yielding pacifieth great offenses." The presumption is that the statement attributed to General Baron Tanak a, Japanese Prime Minister, to the effect that Japan recognizes that Manchuria is an integral part of Chinese territory is Japan's concession. At the same time Japan announces her intention of withdrawing more troops from Tientsin and Shantung. On the surface these gestures cannot but please the Chinese. They may, for the moment, ease the tension between the two peoples.

It is Japan's misfortune that now, as during the days of the Twentyone Demands made on China in the Spring of 1915, she has been badly served in publicity, This is doubtless due to the inability of the Japanese leaders of the old school to appreciate the role of the press in the modern world. Supervision, with, in some cases, the actual shaping of public opinion. is the accepted order in Japan. There is reluctance to make public the full documents involving international affairs. This has been true in the recent negotiations with the Manchurians and with the Chinese Nationalists. So, for example, although Baron Tanaka was credited in yesterday's dispatches with recognizing the status of Manchuria as a part of China, no categorical statement of his was given out to the press. He must have known that Sir Austen Chamberlain's statement that the British Government regards Manchuria as a part of China was made to clarify England's position. Reports from Washington have made it plain that the American Government has not departed from its position summed up at the Washington conference by Secretary Hughes that it recognizes Chinese sovereignty over Manchuria. A frank expression of these same views by Baron Tanaka would at once remove the apprehension.

The "New" China Begins to Build

(Christian Science Monitor, August 11)

The recent arrival in New York of Sun Fo, Minister of Reconstruction in the Nanking Nationalist Government, is a heartening sign to those whose knowledge leads them to listen for the constructive note in day-by-day dispatches. For this American-trained Chinese patriot is to attend conferences preparatory to enlisting the co-operation of governmental and industrial leaders in "the States" in the upbuilding of the amorphous Asian Republic into a modern nation. He summarizes his mission in this way:

"Our regime seeks to initiate a program of general education and reconstruction work throughout China, and to push it as rapidly as may be. Avoiding detail at this time, it will be suggestive enough to say that the scheme includes the rebuilding of our lately chosen national capital in the South and the extension of a complete system of communications. This last will mean the construction of about 100,000 miles of motor roads. We must link up our 4,000,000 square miles of territory. This is imperatively essential if we really are to unify our people—and remember, please, there are better than 430,000,000 of us."

Here, then, is encouragement for hopes in the Kuomintang's permanent success. The ancient land it now administers needs industrial recuperation more than any other one thing. The present is, truly, a time of crisis in China. The self-seeking militarists appear to have been worsted, but must be kept down. Equally must the professional agitators be denied all chance to play a characteristically mischievous part in the vitally important task of harmonizing the interests of Labor and Capital. That is a work to be carried forward by men of tact and vision, not mere left (or right) wing extremists. With all of which will have to go, of course, financial progress; to be seen as reorganization rather than recuperation merely. At this a beginning has been made. The Nationalists' Monetary Convention, with delegates from all parts of the country and representatives of all major interests attending, has formulated what now appears a sane program for strengthening the income of the central treasury and for adequately encouraging provincial advances. Tariffs figure here, naturally, and although that fact automatically brings the international factor into the equation, this phase of the complex subject is now again to be discussed. It is enough, at this writing, to set the emphasis upon the large and instant need of economic revival "below the surface": it is that which (appropriately to the phrase) is basic to all other state building.

It was in sympathetic recognition of precisely this that H. H. Kung spoke recently. (As the Minister of Industry, Commerce and Labor in the Nationalist Cabinet, his opinion is ex cathedra.) "We are engaged in an economic struggle of the first magnitude," he declared. "Our sole salvation is to be sought in the adjustment of conditions in the working and manufacturing classes. We need for this a period of undisturbed recuperation. We are taking steps for launching new enterprises and for developing on larger scale certain others already existing—and (I repeat it) for this revitalizing activity there must be real surcease of the purely political and military activities of the past."

He is entirely right. The sharp report of popular uprising, the heavy roar of armed conflict, the scattering sparks of partisan plots and counterplots—these are the "things seen" by the casual observer of such mighty movements as today are to be watched in their workings out in China. To students fitly "expert," both from past experience and thoughtful observation of such historic situations, these are but the superficial items in a sum accurately to be set down as supercomplicated. It is below the spectacular events that lie the foundation stones of national traits and economic conditions, upon which must rest whatever ultimate structure is to prove enduring. Chinese traits are provedly dependable; economic conditions in China, seemingly, are being improved.

A vast deal remains to be done before the future of today's genuinely "new" China is safely to be described as assured, but a deal, too, is occurring this very moment—especially beneath that surface which often is the sole content of the news cables. It is this which gives promise for the years ahead.

Nanking U. S. Consulate To Be Reopened With Ceremonies

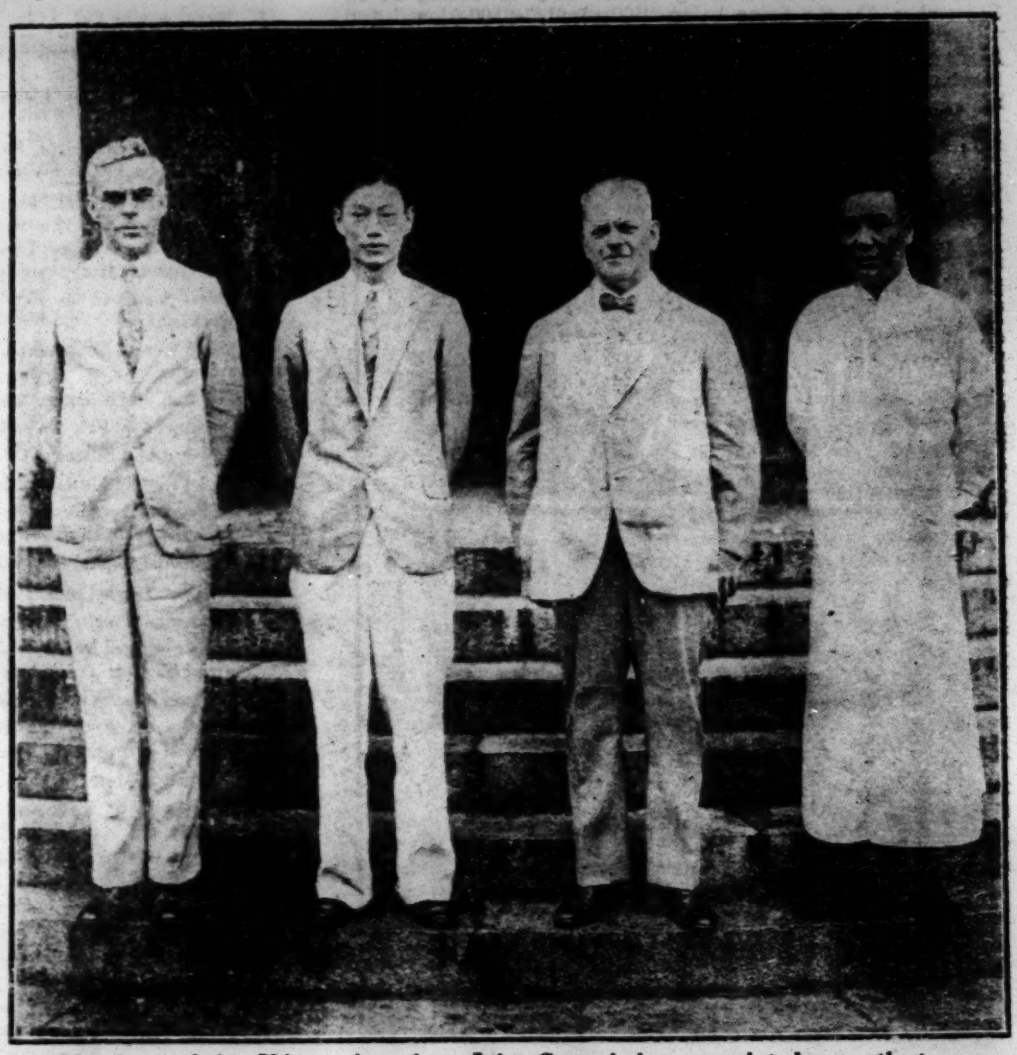
According to announcement last week the Chinese-American commission appointed jointly by the Chinese and American Governments for the purpose of assessing damages to American property in Nanking as a result of the Nanking incident of March, 1927, has held several meetings, and has practically completed its work. Although no official announcement has been made it is understood that the total American property losses in Nanking will not greatly exceed Gold $500,000. Most of the losses resulted from the looting of missionary property.

The members of the commission are:

Clarence J. Spiker, Administrative Consul, Shanghai; C. Kuangson Young, Counsellor, the Ministry of Foreign Affairs; V. G. Lyman, formerly an official of the Standard Oil Co., but now acting secretary of the American Chamber of Commerce, Shanghai; and Wu Ching of the Ministry of Finance, Nationalist Government.

It has been reported that Mr Spiker will be appointed American Consul in Nanking as soon as the American Consulate in that city is ready for occupancy about October 1. Mr. Spiker will be assisted by John Hall Paxton, Vice-Consul, formerly stationed in Nanking. The American Consulate at Nanking, which was looted at the time of the Nanking incident and John K. Davis, and his wife and children forced to evacuate, is now being repaired by the Nationalist government and will be ready for occupancy about October 1.

The reopening of the American Consulate at Nanking will be made the occasion for an interesting ceremony to be participated in by various officials of the Chinese and American governments. According to report there will be an official salute by a special detachment of Nationalist soldiers to be followed by an official salute by American destroyers in the Yangtsze river adjacent to Nanking. The destroyer division will be in charge of Admiral Yates Stirling, commander of the Yangtsze patrol. There will also be a number of addresses by Chinese and American officials on the occasion, the ceremony being looked upon as amounting to America's full recognition of the Nationalist government.



Members of the Chinese-American Joint Commission, appointed recently to assess the damage suffered by American interests in connection with the Nanking Incident of March, 1927. Those in the picture, from left to right are, C. J. Spiker, C. Kuangson Young, V. G. Lyman and Wu Ching.

Famine Relief Work in Shantung

The following is a summary of the views on the Shantung famine situation as gleaned from various interviews and statements recently made by John Earl Baker, who is at present in Shantung. Mr. Baker is in charge of the work of the China International Famine Relief Commission.

Americans take an interest in the famine in Shantung the same as Americans do in relieving distress anywhere, examples in recent years being the Near East Relief and relief extended in Russia during the famine there. It is not true to state that America neglects its own poor, while at the same time professing to help the Chinese and others. As a matter of fact not many of America's "poor" are in need of help, but nevertheless America raises two billion dollars annually for the purpose of improving the general level of the people.

The charge has been made from America that pouring money into Shantung at present will simply mean that help is being given to the militarists. That is not true under the plan which is being used in Shantung. The idea which is followed in Shantung is to provide employment and in exchange to furnish sufficient food for current needs only. The militarists cannot commandeer the flesh and blood of the people, and the food that is served is not the kind that armies use. The organization of the labor corps does not create an expensive overhead charge. The cost of feeding a working family is only about twenty per cent higher than feeding an idle family. The needy are put to work on repairing dykes, building roads and digging wells, all of which help to prevent recurrence of famine in future. The armies do not destroy this work, but instead they use the roads and sometimes help to repair them.

The aim is not to merely give temporary relief, but to plan and follow a program that will make the populace self-sustaining in future years. The old idea was that famine and war was the way Nature had to keep the population at a low level. Experience shows that a better way is to improve the standard of living, as people in better circumstances usually rear less children.

Ten million gold dollars well spent will go a long way in improving conditions. In the Tingshien region more than 10,000 wells are furnishing water to the fields in that section. The Chinese are inspired by the good example. It is not true that Chinese officials hold up the work for "squeeze." The sovereignty of China is not being infringed upon. No work is undertaken that does not meet the approval of the local government officials.

Chinese also contribute to relief in Shantung. The Chinese Swastika Society has done some really effective work. Unfortunately public audit of funds is a new institution in China and there is no means of knowing how much of the million dollars recently raised by Chinese in Shantung has gone for the relief of the needy.

American Marines Outshoot Scots Guards

The American Marine Rifle Team defeated a team from the Scots Guards in a firing match held in Shanghai on September 11, the firing being "300-rapid," "500-slow," and "300-bobbing targets." The total aggregate scores were, Marines, 2453; Scots Guards, 1866. The high man on the Marine side was Willoughby with a score of 142 and the high man on the side of the Scots was Pierce with 117.

A Portion of the Trophies won by Members of the Fourth Regiment in China.

1. Cup presented in track meet in Peking, China.
2. Small cup won by Lieutenant Mathiesen, in the Arathusa Cup Mateh. 7th prize.
3. Baseball cup won by the Fourth Regiment Baseball Team, 1928.
4. Shield presented by the Green Howards, British Regiment to the Fourth Regiment, U. S. Marine Corps.
5. Silver medal presented by the British National Rifle Association and won by Lieutenant Mathiesen. The winner of this medal is eligible to shoot in the Prince of Wales Rifle Match held yearly in England.
6. Cup presented to the Shanghai Rifle Association by the Fourth Regiment, to be competed for annually by members of the Shanghai Rifle Association, won the first time by Cpl. Willoughby, U. S. Marine Corps.
7. Small cup won by Lieutenant Bethel, 4th prize in All-Comers Rifle Match.
8. Miniature of the Fourth Regiment Cup, won by Cpl. Willoughby.
9. Cup presented to Gy-Sgt. Hill, for the work he had done to help the Fourth Regiment, Boxing squad.
10. Cup won by the Fourth Regiment, in track meet, relay race, presented by Shanghai Fire Brigade.
11. Arathusa Cup, won by Gy-Sgt. Sziga.
12. Miniature of Arathusa Cup, won by Gy-Sgt. Sziga.
13. Cup won by 24th Company, in track meet.
14. Beaumont Cup, indoor baseball championship of the Regiment, won by the 19th Company.
15. Small cup won by Cpl. Evans, 4th prize Arathusa Cup Match.
16. Medal won by Cpl. Evans in Asiatic Division Rifle Match at Peking.
17. Cup won by Lieutenant Leland in Fourth Regiment Cup Match 2nd prize.
18. Medal won by Cpl. Evans in Asiatic Division Pistol Match at Peking.
19. Medal won by Lieutenant Leland in All-Comers Rifle Match 1st prize.
20. Small cup won by Lieutenant Leland in Arathusa Cup Match 6th prize
21. Cup presented to the Fourth Regiment by Major General Duncan Commander British Forces in China.
22. Medal won by Gy-Sgt. Sziga in annual rifle meet 2nd prize Grand Aggregate.
23. Small cup won by Lieutenant Leland in British National Rifle Association Match, 3rd prize.
24. Medal presented to Pvt. Shegoskie. Marine Corps Distinguished Marksman.
25. Medal won by Lieutenant Leland in British 303 Championship Match 3rd prize.
26. Cup won by Lieutenant Mathiesen in All-Comers Match.
27. Medal won by Pvt. Shegoskie in Asiatic Division Rifle Match Peking.
28. Cup won by Lieutenant Leland.
29. Medal won by Lieutenant Mathiesen.
30. Shield won by Lieutenant Leland in the International Rifle Match in Shanghai, team shield, America first.
31. Regimental trophy won by Third Battalion Rifle Team.
32. Battalion Trophy, most proficient company.
33. Regimental Trophy, most proficient battalion.
34. Shield presented by Mr. Mark L. Moody, won by the Fourth Regiment in International Track Meet.
35. Battalion Trophy most proficient company.
36. Shield won by Gy-Sgt. Sziga in the International Rifle Match in Shanghai, team shield, America first.
37. Regimental Mess Trophy. Awarded monthly to the best Mess.
38. Shield won by Lieutenant Leland, high gun in International Rifle Match.
39. Plate presented by the American troop and company, Shanghai Volunteer Corps to the Fourth Regiment Fifers and Drummers. (Fessenden Fifes)

The Spoons were all won by different members of the Fourth Regiment Rifle Team at various times.

Situation Still Critical on Mongolian-Manchurian Border

A recent *Ta Chung* news agency dispatch from Harbin states that the situation on the Sino-Mongolian border is still critical. The Holungkiang troops stationed in the districts between Manchuli and Hailar are making feverish military preparations and trenches have been dug in the vicinity of Hailar and Manchuli in preparation for another Mongolian invasion. All fortresses along the Chinese Eastern Railway have been repaired and are manned by strong military units. The Mongolians are stated to be holding an enlisting campaign in the boundary districts and are stated to have raised the flag of revolution against the Chinese authorities.

Shanghai Editors Will Hold Conference in Tokyo

George E. Sokolsky, associate editor of the *Far Eastern Review* of Shanghai, departed this week for Tokyo, Japan where he will meet George Bronson Rea, the editor of the *Far Eastern Review* for a conference. Mr. Rea has been in the United States for several months lecturing before trade organizations advocating a cooperative Japanese-American policy in China. Mr. Rea recently addressed the Williamstown Conference where he declared that China was trying to induce the United States to join with America in a war on Japan.

National Anti-Opium Week to Be Held in Shanghai October 1-7

Plans were formulated for holding a National Anti-Opium Week in Shanghai October 1 to 7 at a recent meeting of the Constituent Bodies of the National Anti-Opium Association, presided over by K. T. Chung, general secretary. At said meeting Dr. T. H. Lee gave an account of his travels in Chekiang, Kiangsu and Kwangtung to study the opium situation.

Tanaka Will Defy the World on His China Policy

The following significant article dealing with Japan's policy toward China resulting from the recent Diplomatic conference in Tokyo, appeared in the Japan Chronicle for September 6. The Chronicle is a liberal British newspaper published at Kobe, Japan.

GENERAL BARON TANAKA, the Premier, called together in the Minister's room at the Foreign Office on the 4th instant Mr. Mori, Parliamentary Under-Secretary of Foreign Affairs, Mr Yoshida, Vice-Minister of Foreign Affairs, Mr. Uehara, Parliamentary Councillor of the Foreign Office, Mr. Arita, Director of the Asia Bureau, and Mr. Yada, the Consul-General at Shanghai, and conferred with them on the policy to be pursued towards the Nationalist Government hereafter. According to the *Mainichi*, after two hours' conference they reached the following conclusions:—

Appeal to League of Nations an Unfriendly Act

"In the second Note to the Japanese Government, the Nationalist Government appeared to modify its attitude towards Japan, but it has lately been showing an unfriendly attitude towards this country again, as is evidenced by the fact that it is trying to make its Minister to Belgium lay the Tsinan affair before the Assembly of the League of Nations and that it is secretly inciting prominent merchants at Canton, Shanghai, Fuchow and Swatow to boycott Japanese goods.

The Appropriate Punishment

"In view of this hostile mood of the Nationalist Government, it is dangerous to open negotiations with it for the settlement of the treaty revision questions and other issues at the present time. The best course for the Japanese Government to follow in existing circumstances is to adhere to its strong attitude and await a change of attitude on the part the Nationalist Government."

A Correct Interpretation

The *Mainichi* explains the attitude of the Government towards the treaty revision question, the Tsinan affair and the anti-Japanese boycott movements as follows—

"The Chinese interpretation of Article 26 of the Sino-Japanese Treaty of Commerce is based on the Chinese text of the treaty, and is not correct, while the Japanese interpretation being based on the English text, which rules in case of controversy, is just beyond all doubt. This being so, the Government is not going to agree to the opening of negotiations for the revision of the treaty, unless the Nationalist Government abandons its present stand.

The Tsinan Massacre

"With regard to the Tsinan affair, the Japanese Government indicated the mode of settling it soon after the occurrence of the incident, thereby making clear its attitude towards the deplorable affair. It also intimated to that Government the terms of settlement, asking for the appointment of its delegates, but so far no reply has been forthcoming from Nanking. Instead of settling it by negotiation with the Japanese Government, it is, indeed, attempting to lay the issue before the Assembly of the League of Nations. Considering this attitude on the part of the Nationalist Government, the Japanese Government ought to refrain from making any fresh proposal to that Government, even after return of Mr. Yada to his post at Shanghai, for the opening of the negotiations for the settlement of this affair.

The Boycott

"The anti-Japanese boycott movements in China are growing in vehemence, and it is inevitable that Japanese traders interested in China should suffer a heavy blow. Inasmuch, however, as the Osaka traders closely interested in China almost unanimously support the strong policy of the Government and are ready to put up with the temporary loss that it entails, the Government must devise some decisive measures in meeting the strike situation."

Waiting to get Pro-Japanese Into Office

The Japanese Government is in no mood to open negotiations with the Nationalist Government quickly for the revision of the treaty, as it expects a favorable turn of events at Nanking in the near future. According to the vernacular papers, General Baron Tanaka, the Premier, speaking at the Cabinet Council on the 4th instant on the situation in China and on the attitude of the Government towards the Nationalist Government, said that although the second Note of the Nationalist Government showed some signs of modification in its attitude towards Japan, it was wise for the Japanese Government to maintain a cautious attitude for the present, seeing that there were indications that the anti-Japanese boycott movements at Canton, Nanking, Shanghai and Fuchow were encouraged by the Nationalist Government. The Premier further pointed out growing discord within that Government. He said that as it became more evident that besides planning the recovery of his influence in Honan, General Feng Yu-hsiang harbored ambitious designs on Shantung, his popularity was gradually waning at Nanking, the star of General Chiang Kai-shek being in the ascendancy. In such circumstances, the Premier said, it was doubtful whether Dr. Wang, the Foreign Minister of the Nationalist Government, who had been recommended to his present post by General Feng would be able to remain in office long. In view of these facts, there was no occasion for Japan hurriedly to enter into negotiations with that Government for the settlement of the treaty revision question and other matters. Should Dr. Wang be succeeded by Mr. Ku Fu in the Foreign Ministry, the attitude of the Nationalist Government would develop a favorable phase towards Japan. General Tanaka told his colleagues that he had instructed Mr. Yada, the Consul-General at Shanghai, to refrain from taking the initiative in opening informal parleys with the Nationalist Government on his return to his post.

Japan Should be Independent

The *Osaka Mainichi* approves, on the whole, of the policy of watchful waiting pursued by the present Cabinet towards the Nationalist Government, and says that as Japan's relations with China are different from those subsisting between China and Britain or America, there is no reason why she should allow her attitude to be influenced by the policy to be followed by those countries towards the Nationalist Government.

The Emptiness of the American Agreement

The authorities of the Nationalist Government and the propagandists working for the cause of Nanking refer to the new agreements concluded between the Nationalist Government and Britain and America as though they embodied the growing friendship of those countries for China, suggesting at the same time that the stubborn adherence to her present strong attitude on Japan's part will end in reducing her to an awkward position in international politics. In the opinion of the Osaka journal, however, such insinuations need not be taken seriously. What practical benefit can China derive from the good will shown her by Britain and America, it asks. The new Sino-American agreement is devoid of practical value, as America claims the most-favored-nation treatment.

China's Folly in Antagonising Japan

It is, of course, something for China that the new agreement holds out some hope for the conclusion of a treaty with big Powers on an equal footing and also for the recognition of the Nationalist Government by outside Powers at some future date, but the loss inflicted upon herself by her bold declaration for the arbitrary repudiation of the Sino-Japanese Treaty of Commerce is very great, and it is strange that the Chinese, who are always fully awake to their interests, should have committed themselves to this foolish course of hardening the attitude of the Japanese Government. It was certainly a blundering piece of diplomacy.

No Need For Japan To Worry

The Tanaka Cabinet cannot, of course, be congratulated upon its rigid policy of demanding the open cancellation of the repudiation of the Sino-Japanese Treaty of Commerce on the part of the Nationalist Government, but it is the Nanking Government that is in a greater fix on account of the indiscreet declaration abrogating the treaty. Inasmuch as Japan's position vis-a-vis China is different from the position of Britain and America towards China, the policy of the Nationalist Government to play off these Powers against Japan is not expected to bring any material interests to China. Even if America may notify the Nationalist Government of her readiness to open negotiations for the abolition of extraterritoriality in the near future or Britain may communicate to that Government her willingness to give loans necessary for the reconstruction of New China, Japan need not evince much anxiety over their attitude. The best course for Japan to pursue in existing circumstances is to watch the course of events at Nanking, ready to take such action as the exigencies that may arise in future warrant.

Separating Manchuria From China

It has for some time been understood among the Peers and the Privy Councillors that the China policy of the Government is to promote the separation of North China (meaning, presumably, Manchuria and Mongolia) from South China, and to further the opening of the doors of North China for the industrial activities of the Powers, while abolishing extraterritoriality for that region, says the *Kokumin*. To all appearances, the Government is assiduously trying to promote the end in view. According to the Tokyo journal, such was the impression which was left upon the Peers by the explanations offered by Mr. Arita, Director of the Asia Bureau, at the meetings of the

China Conversazione (Shina Danwakai), consisting of a number of Peers belonging to various factions in the Upper House

"Independence"

It is further reported that Lieut.-General Kikuchi, of the Army General Staff, who visited China the other day, indicated that the policy of the Government towards northern China followed the lines of the independence of Manchuria and Mongolia and the abolition of extraterritoriality for those regions. It is believed that the Government is eager to put this policy into shape before the projected compromise between Mukden and Nanking becomes an accomplished fact. There is a widespread belief among the Peers that the policy of the Government towards Manchuria and Mongolia will develop a new phase before long, and in order to gain a better knowledge of the intentions of the Government in this respect, the *Kokumin* says, the China Conversazione intends to invite Mr. Matsunaga, Director of the Bureau of Treaties, shortly to hear his explanations regarding extraterritoriality.

All this is at least frank.

A Rejected Proposal

According to a telegram received in official quarters from Mr. Yoshizawa, Minister to China, says the *Jiji*, the Nationalist Government intends to restore tariff autonomy on January 1st next year, enforcing the statutory tariff at the same time. As the preliminary to this course, it has recently approached the Japanese Minister at Peiping with a request for approval of the application, as an *ad interim* arrangement, of differential tariff from October 1st. Mr. Yoshizawa rejected the overture on the ground that not only are things now prevailing entirely different from those ruling at the time of the Customs Conference, but that abnormal relations are existing between China and Japan in regard to the treaty revision and other issues,

Better Manners Required

In this connection, the Tokyo journal says that although the Japanese Government has no objection to the enforcement of the conventional tariff providing for differential rates of seven kinds, as agreed upon at the Customs Conference, it cannot easily acquiesce in such duties being enforced as the prelude to the recovery of tariff autonomy in the same objectionable manner as that which was adopted by the Nationalist Government in repudiating the Sino-Japanese Treaty of Commerce arbitrarily. Japan's consent to the enforcement of differential duties at the Customs Conference having been given on the understanding that all other Powers did likewise, her acquiescence, if it is to be given at the present time, must necessarily be preceded by due conference with the Powers concerned.

More Expedients For Delay

There is furthermore, some doubt as to whether the differential duties which the Nationalist Government now proposes to enforce are the same as those agreed upon at the Customs Conference. Should the Nationalist Government formally approach the Japanese Government about this matter hereafter, the *Jiji* thinks, there will be a conference among the representatives of the Powers at Peiping before any definite reply is made.

America Is China's Friend

To the Editor, *The China Weekly Review*:—

It is a matter for regret to all well-intentioned people that in this age of peace and friendship among the nations of the world, there is still a small minority in every nation composed of persons whose hearts seem to be filled with bitterness and hatred for foreign nations. During the past few years America has been unjustly subjected to this hatred. So far, America's contribution to the progress of the world has been of a material rather than of a spiritual and cultural nature. But her material contribution has been sound and good. The telegraph, the telephone, the airplane, the phonograph, the cinema or moving picture, the automobile or motor car, the electric light, the typewriter, farm machinery, time and labour saving devices modern business and sanitary methods, and a hundred other notable discoveries, inventions, customs, and methods originated in America, and from America have spread over the world, and have made the world a pleasanter place to live in. Recently I received a copy of the *Japan Chronicle*, an English newspaper published in Kobe, Japan, and noted the advertisement of a Japanese who advertised "American Dentistry", and a number of other advertisements and notices that showed how the Japanese are adopting American customs, inventions, and methods. China, too, is turning to America, for she realizes that America has long been her friend, and that America was the first nation to remit the Boxer indemnities to China. America, too, is the first of the nations to recognize the new Nationalist government in China.

CHARLES HOOPER.

Coeur d'Alene, Idaho, U. S. A., Aug. 16, 1928.

Protecting the Tomb of Confucius

The resolution introduced by Dr. H. H. Kung, Minister of Industry, Commerce and Labor, for the protection of the Confucian Tomb in Shantung as well as the Confucian Temples in the various provinces, has been adopted by the Nationalist Government. The Government has circularised a telegram to this effect to the various provinces, instructing them to pay special attention in this connection. The following is a translation of Dr. Kung's resolution:

Humanity always respects those who has learned and understood and lived ahead of it. All races find comfort in glorifying their virtuous characteristics. Our own Confucius flourished during the last days of the Chow Dynasty. Actuated by a motive of natural sympathy for his fellowmen and prompted by a wish to save and enlighten his people, he offered himself to shoulder the great responsibility of human progress and his works actually embodied the totality of political philosophy.

His Book of Great Learning referred to world peace and political prosperity which bear striking similarity to the modern ideal of political democracy while his utterances of humanitarianism in the Book of Propriety emphasized the just principle of altruism.

Therefore during his life time, our later Leader, Dr. Sun Yat-Sen, often devoted his time to lecturing and writing about the Great Sage so that his teachings might be better understood in future generations. Foreign tourists who come to China, in spite of physical difficulties in transportation, always consider it a privilege and honor to pay their homage to the Confucian Tomb and Confucian Temples. Some would even pick up a pebble or acquire a wooden souvenir and take them home for decoration, and point with pride to their own countrymen for having once been at the Sacred Spot. This is one indication of the greatness of the personality of Confucius. Everyone, whether he is a Chinese or a foreigner, respects and honors these places and prizes the articles of civilization which he had inherited to us. Confucius has been the most important figure in the history of Oriental culture. During the past two thousand odd years, he had made a profound impression upon the minds of the people of the world. The articles and works that have been handed down till this very day are all of historical value, and as such deserve proper protection.

Furthermore, it is common usage among the civilized world to worship the heroes in history and to preserve the historical spots. In accordance with the instructions of our late Leader to preserve our characteristic virtues and glorify our national spirit, the protection of the Confucian Tomb and Confucian Temples is but a natural duty of our Party to-day.

Yet we have learned from our relatives that much commotion had taken place recently in the Confucian Tomb and Confucian Temple at Chufu. Rumors of their confiscation are actually circulated. During this period of readjustment, men are restless. Peculiar ideas have entered the minds of many. It is possible that certain weak minded young men may have been moved by the Bolshevik idea of "Down with propriety and religion".

Being a descendant of Confucius and also being in the service of the Party and the Nationalist Government, I would like to request the Government to issue a public order for the proper protection of the properties. I would also like to ask the Government to instruct the Ministry of Interior to provide for suitable regulations for their protection, whose promulgation throughout the country would set the minds of the people at ease and curb the sinister idea.

Philippines Asked to Bann Fibre Exportation

According to a recent *Kuochi* telegram from Manila the Filipino Hatters' Association has urged the Philippine Legislature to pass a bill prohibiting the exportation of buntal fibre to China, as the Association fears that Chinese hatters might use Philippine fibre to manufacture hats with cheap labor, and thus become a dangerous competitor to Philippine hatters.

General Motors Sales Overseas Increase

During the first half of 1928 General Motors cars sold to overseas dealers totaled 137,470, according to a recent announcement made by Alfred P. Sloan, Jr., president of General Motors Corporation. This compares with 92,452 cars and trucks sold to overseas dealers in the first half of 1927, an increase of 45,018 units.

A Chinese Student in the Ford Works

BY CHEN-NAN LI, *Yale University*
(Reprinted from the Personnel Journal)

IN THE summer of 1925, I had the privilege of joining the Yale Industrial Research Group and of spending two months and three weeks in the Ford Motor Company. I worked in both the River Rouge Plant and the Highland Park Plant. I came in contact with not less than ten departments, the most important of which were the Motor Assembly, Grocery Store, Employment Office, Receiving, Battery, Compensation, Safety and Hygiene, and Sociological departments. My experience in the various departments and my observations of industrial relations at the Ford Plants were embodied in a rather detailed account entitled "A Summer in the Ford Motor Company." The manuscript is kept in the Yale University Library. Nothing regarding this first summer's work will be recounted here.

In the summer of 1926, I was again given the opportunity of working in the Ford Plants from June 23 to September 18, a total of two months and twenty-six days. The company very considerately put me in several departments in which I had not had time to work the previous year. I worked in the Glass Plant for over a month, the Garage for a week, the Motor Repair Department for three weeks, the Rolling Mill for a week, and the Power House for two weeks.

The fact that the Yale students were rapidly transferred from one department to another precluded, of course, the possibility of acquiring proficiency in any mechanical process that required much skill. But from the standpoint of studying industrial relations this was a distinct advantage. In the first place, it gave the student an opportunity to try a great variety of jobs. This enabled him to gain an insight into the nature of the conditions under which the workmen labored. The work in a modern factory varies all the way from jobs that require no skill at all to those that presuppose years of training; from those that involve only one or two simple operations to those that consist of a long series of fine movements; from those that require merely brute strength to those that demand engineering ability. To gain a comprehensive understanding of the working conditions, the student should experience as many types of work as possible. In the second place, it gave him an opportunity to come into personal contact with various types of workingmen—skilled and unskilled, novice and expert, married and single, native and foreigner, conservative and radical. The Ford Motor Company is a gigantic organization. It is an organization that has some 100,000 men on its payroll, and that produces at normal times 7,000 cars every day. It combines a host of industries relative to automobile manufacture. It has its own coke ovens, blast furnaces, steel mill, rubber works. It manufactures paper, cement and artificial leather. It owns railroads and freight boats. It controls its own iron and timber supply. The student who worked in a number of departments could practically study a new industry each week. Furthermore, the company has thousands of up-to date machines that perform a series of complicated movements at a single stroke. It is a novel and interesting experience for an academic student to operate, for example, a turbo-generator that makes 1,800 revolutions per minute, and to run a drill press that bores 48 holes in a single operation.

Various Employments

I was particularly fortunate to have spent two consecutive summers in the same firm. Such a huge organization must be studied from many points of view. After a second summer in the Ford Plants, the conclusions I had drawn in the previous year seemed to be rather hasty and sometimes not at all warranted. In this paper no detailed account will be given regarding the many jobs I had in the various departments during the summer of 1926. Suffice it to say here that in the Glass Plant I worked in the "Batch Room" (where the constituent elements of glass were weighed and mixed) at the furnaces, on a rolling machine, at the polishing wheels and on a great variety of miscellaneous jobs. In the Garage I learned to repair Fordson Tractors. In the Motor Repair Department of the Motor Assembly I learned to find out imperfections in the motor and to make proper changes and adjustments. In the Rolling Mill I worked at the finishing stands, where steel billets were rolled into finished products ready for shipment. In the Power House I worked at the boiler, the turbo-generator, the turbo-blower the condenser and the air-compresser. At times I was engaged entirely in unskilled work, such as removing bricks and wiping machines. At times I was doing more or less skilled jobs, such as repairing motors and rebuilding the transmission of a tractor. At times I had to exert my whole strength. At times I could stand idly watching the machines work. Having worked in practically all the important non-production departments last year, I decided not to do any clerical work this year. This gave me more time to associate with the so-called "production men." In the following pages I shall endeavor to state my observations regarding the labor policy of the company and the life of a Ford workingman. The reader's indulgence is requested if, occasionally, facts treated in last year's report should be cited as evidences to support certain conclusions.

The Labor Policy of the Ford Motor Company

The labor policy of the company can be best discussed under the following headings:

1. The source of supply. The Ford Motor Company is cosmopolitan in its labor population. Nearly every nation on earth is represented on its pay roll. Besides native Americans, there are enormous numbers of Canadians and Europeans of every ethinological origin. South Americans and Western Asiatics also constitute a not altogether negligible minority among the Ford employees. To be sure, the Chinese and the Japanese are confined to students; but this is a fact for which the company cannot be held responsible. Although I should not say that racial prejudice has entirely disappeared in the Ford Plants, it is certainly not a part of the policy of the management. The Employment Office prefers a native to a foreigner, a northerner to a southerner, a Detroiter or a Michigan man to a citizen of any other city or state. This, however, is not a manifestation of racial prejudice. The company wants its men to be steady. The nearer to Detroit the worker lives, the more likely it is that he will be a steady employee.

Another feature of the Ford labor supply is the employment of substandard men. In the factory one not infrequently meets the blind and the crippled. Though their number is negligible, their employment is something unique in the Ford Plants. The company has so many varieties of jobs at its disposal that suitable work can be easily found for any man not totally disabled. It must not be understood, however, that any handicapped man can find work in the Ford Plants. The substandard men are employed, not because they are substandard men, but because they have, in some way or other, been previously connected with the Ford Plants. In many cases they received the injury while in Ford employment.

Perhaps a few words should also be said here regarding the employment of women. Like the substandard men, the women are employed not because they are women. Most of the Ford women are wives or daughters of Ford men who have in some way been temporarily or permanently disabled. A woman whose husband is an active worker in the factory cannot obtain employment in the Ford Plants. I am told that Mr. Ford believes that a Ford employee gets enough wages to maintain a family in decent circumstances, and that his wife should take care of the home and not work in the factory for additional income. The Ford women receive the same wages as men. They are given work that allows them to sit down. In a factory where workmen have to be on their feet eight hours a day, the freedom to sit down must be reckoned as one of the greatest privileges that a person can hope to secure.

2. Provision for labor adjustment. One of the outstanding features of the Ford labor policy is that a foreman is deprived of the power to discharge a workingman. In case of disputes between an executive and a workman, or between one workman and another, the foreman can "lay a man off" for a period of ten days. Beyond that, the case must be referred to the Employment Office where a special officer takes charge of such matters. If, in the judgment of this officer, the foreman is wrong, the workman is usually retained, but is given work in some other department. Since the company has so many departments, such arrangements can very easily be made.

In the Ford Plants it is not at all hard to secure a transfer from one department to another, if the applicant has sufficient reasons to justify his request. Transfers are frequently given for medical reasons, or in recognition of some special aptitude or ability. The fact that the whole clerical force of the company is recruited from the rank and file of the manual workers, bears ample testimony to the readiness with which transfers are granted. Chronic drifters, however, are discouraged by every means. The company wants a man to stick to his job if there is no adequate reason for transferring him to some other department.

A man once hired is seldom discharged merely because of incompetency. He is given a chance to try many jobs. He is never obliged to quit unless every job should fail him. This is not likely to happen since so many jobs require little or no skill.

Another interesting fact in the matter of labor adjustment is the appointment of a negro to attend to the complaints of the colored people. A few years ago the feeling between the white and the colored workers in the Ford Factory was very

acute. The negroes were often armed with dangerous weapons and were ready to resort to an "ordeal by combat" when the provocation seemed to them to be intolerable. Cases of bloodshed actually occurred. Numerous complaints were also heard from the colored workers that in the hands of white executives they were not given fair treatment in any case in which white men were involved. To remedy this situation, the company appointed a negro to work in the Employment Office whose special duty is to hear the complaints from the colored people and to bring about some satisfactory solution of their problems. While I should not say that the negroes are not at all discriminated against in the Ford Motor Company, they are, according to their own testimony, better off here than they would be in other manufacturing concerns.

3. *Minimum wages and rate of increase.* With a few exceptions, every Ford employee gets $5 a day in the first and the second months and $6 a day in the third month. If a man should work for a couple of years, we can almost neglect the first two months and regard his minimum wage as $6 a day. The usual rate of increase is 40 cents at a time. The scale runs something like this: $6, $6.40, $6.80, $7.20 etc. After $7.20, increase is very difficult and for many jobs it is impossible. Most jobs are rated; but the workmen do not always get the amount specified. The increase of wages depends upon the nature of the job, the competency of the worker, and his relationship with the foremen. Though the foremen do not fix the wages, they make recommendations, and in that way they are very important factors to be considered. In the Ford Plants, however, foremen of different ranks know the workmen very well, so it is difficult for a single foreman to hold a man back on account of personal differences.

4. *Vacations and "lay-offs."* The Ford Motor Company used to have one or two weeks' "lay-off" in the summer season. Various departments are shut down at that time and an inventory is taken of the capital stock invested in factory equipment. The company has never paid the men during vacations or on holidays. Even the foremen have to punch a time card and are paid on a daily wage and not on a monthly salary basis. Since the company has, however, in the past several years, given its employees very steady work throughout the year, two weeks' "lay-off" does not necessitate much financial loss to the workingmen.

In 1926 a great change took place in the Ford Plants. Nearly all departments were running only five days a week. The company has, through carefully experimenting on the five-day-week plan in several departments, found out that the amount of production is not in the least reduced under the new scheme. There were all sorts of rumors that wage adjustments would soon be made so that a workman would receive six days' wages for five days' work. Some men were betting with one another that wages would be increased when the next pay day came. The majority of the men, however, were skeptical.

5. *Training and education.* For training and education, two organizations may be mentioned,—the Henry Ford Trade School at Highland Park and the School Department at the Fordson Plant. The Trade School takes in boys at the age of twelve or thereabout. Instruction is divided into two sections; a week in the classroom, and two in the shop. The boys are trained to be skilled mechanics. They are given a cash scholarship to meet their expenses. They work on production material and are expected to turn out articles which are actually used. Nothing is done merely for practice. Some academic work is provided, but it is given an intensely industrial tinge. Most of the graduates of the Trade School work in the Ford Plants as tool-makers, diemakers and machine repairmen. The Trade School reaches only a fraction of the Ford employees; consequently, it is not an important factor in the matter of education for the workingmen. The School Department at the Fordson Plant caters more directly to the interests of the Ford employees. This department operates three schools,—an electrical school, which offers training in electric wire and maintenance work; an apprentice school, which gives training in toolmaking, die-making and machine repair work; and a service school which trains its students (the majority of them are from foreign countries) to be Ford service executives and repair men in this country and abroad. The service school has little to do with regular workmen, since its students all expect to leave the factory on completion of their courses. The electric school and the apprentice school are distinct institutions for the regular Ford employees. These schools are open to all Ford men without any discrimination. Workmen can attend the classes in their leisure hours. No tuition is charged. Periodical examinations are held, and certificates are given to those who have satisfactorily completed their course. Graduation from these schools is usually followed by a transfer to a better paid job or an increase of wages on the same job previously held. This powerful incentive has served to attract a fairly good number of ambitious workers. It must be borne in mind, however, that these schools only cater to the interests of those who aspire to be skilled workmen, such as electricians, tool-makers, die-makers and machine repairmen. Over 90 per cent of the Ford employees do not receive any classroom training at all. Division of labor has been carried on to such a point thatan overwhelming majority of the jobs consist of a few very simple operations. In most cases a complete mastery of the movements does not take any more than from five to ten minutes. All the training that a man receives in connection with his job consists of one or two demonstrations by the foreman, or the workman who has been working on that job. After these demonstrations he is considered a fully qualified "production man." All that he has to do now is to automatize these few operations so that speed may be rapidly increased. For this group of men, it seems to me that some educational opportunities should be provided. Some academic work, particularly courses dealing with the use of the English language, should be offered. If they could learn to speak and write decent English and to read for pleasure, it would not only increase their social efficiency but open numerous ways of harmless enjoyment.

6. *Welfare work.* The Ford Motor Company used to do very extensive welfare work for which a sociological department with a staff of over one hundred members was organized. When the company first raised its minimun wage to five dollars a day, it was understood that a part of it was the workman's share of the profit. This would be withdrawn from him if he were not living in decent conditions. The Sociological Department sent out a large number of advisers to visit the workmen's homes. They took pictures of the homes visited, and submitted reports on the conditions observed. It was on the basis of these reports that the company decided the qualification of a workman to receive his share of the profit. This work must have been very effective, since reports in the archives of that department give conclusive evidences of improved living conditions among the Ford employees. When the other companies raised their wages, the five-dollar minimum of the Ford Factory was no longer as attractive as it used to be. The employees began to dislike the action of the company which now seemed to them to partake too much of the nature of paternalism. When opposition was apparent, the company deemed it wise to drop the whole scheme. The staff of the Sociological Department has been reduced, and the scope of its work limited again and again. Now its main duties are the investigation of the sick and destitute cases, the determination of the amount of aid needed, and the distribution of gratuity checks.

In connection with the welfare work, mention should be made of the commissary, which comprises four departments,—a grocery store, a meat market, a drug store, and a shoe and dry goods store. The commissary caters only to the interests of the Ford employees. It sells from 10 to 15 per cent cheaper than other stores in Detroit. In the commissary at Highland Park the volume of business reaches at times $25,000 a day. In the summer of 1926 a similar store was opened at the Fordson Plant. It will probably outstrip the one at Highland Park in magnitude of business.

7. *Attitude toward unionism.* The automobile industry is regarded by union men as a stronghold of open shop policy. Like the other automobile manufacturing concerns, the Ford Motor Company does not recognize any labor or industrial unions. Bargaining, if there is any at all, is entirely on an individual basis. Shop committees and labor leaders are unknown. It is a current rumor that the Company has a very efficient secret service system with detectives scattered all over the factory to watch for any symptom of labor disturbances. Action is taken before any attempt on the part of the workmen to organize could come to fruition. This, I think, is much exaggerated. A secret service to watch for industrial troubles is hardly necessary, for the following reasons. In the first place, the foremen are always with the men, and everyone knows that the foremen have the interests of the company at heart. In the second place, during the eight working hours, men are supposed to be constantly at their jobs. Very little social contact between man and man is possible. Furthermore, it seems to me that the Ford workers are not at all disposed to unionize. Many of them are violent in their denunciation of labor organizations. If they have any disposition to unionize, they could get together without any difficulty when they are out of the factory. In the communities near the Ford Plants the inhabitants are predominently Ford employees. There are all sorts of ways by which they could meet and discuss matters of common concern. Yet the workmen do not seem to be interested in fraternizing among themselves except on a very small scale. Such being the case, it is not at all necessary for the company to adopt an attitude of watchful jealousy toward unionism. Another thing that lends no small support to this statement is the fact that a Detroit paper entitled "The Daily Worker" which has many

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China and the Council of the League of Nations

BY TAN SHAO-HWA

China failed to get the necessary two-thirds majority vote at the meeting of the League of Nations at Geneva, September 10, and was therefore denied a seat as a non-permanent member of the League. Spain, Venezuela, and Persia were elected non-permanent members. The Persian delegation at Geneva sent a letter to the president of the Assembly of the League regretting that its candidacy conflicted with China's unexpected request for re-eligibility, declaring: "China is a country for which we entertain the most cordial sentiments. We are grieved that she should have taken her decision without our knowledge."

OF the fifty-five member states in the League of Nations not one has lost sight of the importance of the Council. Delegations of nations, big and small alike, are all aiming at the Council seats. Those nations which have already been represented permanently on the Council, will surely do their utmost to maintain the *status quo*. Nations holding non-permanent seats try to secure permanent representation. Nations not represented in the Council at all (except as temporary members by the operation of Article IV Par. 5 of the Covenant, which provides that any Member of the League not represented in the Council is entitled to representation as a Member during the consideration of matters specially affecting its interests) attempt to procure non-permanent seats if they should fail to get permanent ones.

Spain first put forward its claims for a permanent seat on the Council. Its representative on the Council on June 10, 1926, stated "that his Government was unable to accept a classification which would place Spain among the second rank of Powers." After having failed to secure what it had claimed, the Spanish Government communicated to the Secretary-General on September 11, 1926, a note withdrawing from membership in the League.

Brazil is also desirous of a seat on the Council. Its intention was formally made known by Chile in 1921 when the latter took initiative in proposing Brazil as a permanent member on the Council at the same time as Spain was making its claim for a similar privilege. The insistence of Brazil was most vigorously felt when the Powers were contemplating admitting Germany into the League, its argument being "that America should be represented more equitably and more fully on the Council." Chile supported the Brazilian claim; in the First Committee of the Fourth Assembly, 1923, M. Edwards, the Chilean representative, suggested that Brazil might be given the seat left vacant by the United States. The efforts of Brazil, like those of Spain, resulted in a failure and therefore Brazil finally announced its withdrawal from the League, serving the two-year notice on June 12, 1926.

Much was made of the Polish claim for a permanent seat on the Council, even in British politics. It was for a time tied together with the Locarno affairs. Thus M. Alexander Skrynski, the minister for foreign affairs, stated in the Polish Diet on February 25th that "if the question were put to me whether I sought to obtain in advance any promise or any concession, even a place on the Council of the League of Nations, in exchange for the signature of these documents, I should reply, 'No'."

China, too, wishes for a permanent seat on the Council, which desire has been expressed, however moderately, on several occasions. To take for an instance: at the second meeting of the Committee on the Composition of the Council held at Geneva on September 3, 1926, Chao-Hsin Chu admitted the justification of Spain in asking for a permanent seat and reserved the right to China to do likewise.

Importance of the Council

No doubt the Council is an important body. Legally, the Council and the Assembly stand on the same footing; but, in practical effect, the former is much more important than the latter. The fact that the Council is a small body capable of quick action, frequent meeting, confidential information and unity of action, is significant, and has in the course of its existence accrued much to its practical importance. It is just as efficient a body for action as is the Assembly for the creation of public opinion. According to the Covenant they are of equal rank; their relationship is not that between a cabinet and a parliament, nor that between two houses of a legislature. Each of them is supreme in its own province and neither of them can bind the member states, although either may draft conventions for the acceptance or rejection of member states and may take up common functions. In the First Assembly it was decided that either body may discuss and investigate any matter within the general competence of the League, but neither body has the power to render a decision in a matter which has been expressly committed to the other.

Many are the functions which are special to the Council. Some of these are: to lay down conditions for non-Members of the League to appeal to the Permanent Court of International Justice, to formulate plans for the reduction of armament, to take action in case of war, threat of war or violation of the Covenant relating to the protection of minorities, to carry out certain duties prescribed by the Peace Treaties regarding the government and administration of the Saar Basin and the Free City of Danzig, to deal with disputes between Members of the League, to decide when the Covenant has been broken by a Member of the League and to appoint a Supervisory Committee of Finance.

The rights of the Council to deal with disputes are most elaborate; practically all the so-called political disputes submitted to the League have been handled by the Council. In theory, both the Council and the Assembly have been given jurisdiction over disputes, but the procedure laid down in the Covenant for dealing with such disputes gives to the Council decided advantages.[1] The exclusive rights of the Assembly, such as the admission of new states, amendment of the Covenant, review of treaties and election of non-permanent Members to the Council, are only of a formal character. That the Secretariat each year makes a report to the Assembly on the work of the Council, does not, and ought not to, carry any implication that the Council, within its competence, is subordinate to the Assembly, although it affords a free scope for debate in the Assembly concerning all Council actions.

Taking things in total, the Council is more or less the executive of the League within the lines of policy laid down by the Assembly.[2] New activities are generally initiated by the Assembly but conducted under the direction of the Council. The Swiss proposal for the calling of a Disarmament Conference is an excellent illustration.

The rule of unanimity adds considerably to the importance of the Council.[3] This rule operates in the Council to give a practical effect that what the Council seeks is a common denominator of opinions or a course of action acceptable to the governments represented, rather than to register decisions on what is purported to be best for the League at large.

Composition of the Council

From the facts briefly presented above one can readily see why states have contrived for permanent membership on the Council. Membership is of two kinds, permanent and non-permanent. At present there are five permanent and nine non-permanent Members, making a total of fourteen. In addition to these two there is another class made up of the so-called temporary Members. The fifth paragraph of Article IV of the Covenant provides for the representation on the Council of any Member of the League not represented thereon during the consideration of matters specially affecting its interests. The same privilege is accorded to non-Members of the League.

The five permanent Members are France, Germany, Great Britain, Italy and Japan. The condition for permanent membership on the Council is, ostensibly at least, "general interest." France, Great Britain, Italy and Japan are permanent Members by definition in Article IV, Par. 1. of the Covenant, and the United States of America is potentially so by the same evidence. Other permanent seats might be increased by virtue of Par. 2 of the same Article. By this clause Germany was given a permanent seat when it was admitted into the League in 1926.

For the election of non-permanent Members, the Covenant contains only vague provisions. The method of election is not yet in its final form. At present the non-permanent Members are Canada, Chile, China, Colombia, Cuba, Finland, the Netherlands, Poland and Rumania. The membership of some of these states, including China, will expire in September 1928. Continuous election would have the same effect as a permanent seat so long as it occurs.

The present method of election was laid down in 1926 by the Committee on the Composition of the Council, and duly approved by the Assembly and the Council itself. On September 4, 1920, the Council unanimously adopted the recommendation to increase to nine the number of non-permanent seats and to appoint Germany as a permanent Member of the Council upon its entry into the League. On the morning of September 8th, the Assembly approved the decisions of the Council by a unanimous vote of the forty eight states represented, and on September 15th adopted certain rules concerning the method of election and tenure of the non-permanent seats on the Council. The rules adopted by the Assembly stipulated that, in 1926, the nine non-permanent Members of the Council to be elected should have the following tenure: (1) three for a term of three years; (2) three for a term of two years; (3) and three for a term of one year.

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[1] Read specially Arts. 10 to 17 of the Covenant.

[2] This fact does not, however, warrant calling the Council 行政院 as it is generally called in Chinese.

[3] Decisions of the Council are unanimous, excepting a few cases of recommendations on disputes between Members of the League, matters of procedure and certain other questions such as the amendment of the Minority Clauses of the Peace Treaties.

On September 16th, three secret ballots were taken. The first ballot was for the states which the Delegations wished to elect. The second ballot was for the election of three newly elected Members to be represented on the Council for a term of three years; the third for the election, among the six remaining Members, of three to sit for two years. Those not chosen on the third ballot were to sit for one year.

The rules adopted in 1926 also provide that the re-eligibility of non-permanent Members be decided by the Assembly by a two-thirds majority. A case in point happened last year. On September 15th while the Assembly was electing the non-permanent Members, Belgium, which had sat on the Council since 1920, requested that it be declared eligible under the rules of 1926. Belgium obtained twenty-nine of the forty-eight votes cast, three less than the number required.

Such a voting scheme has a direct bearing on the composition of the Council. Any change in it requires a unanimous decision by the Council itself and a majority approval of the Assembly.

That other permanent seats on the Council might be voted under Article IV, par. 2. of the Covenant has already been referred to. It does not seem probable, however, that the number of seats will be increased in the immediate future. In the fifth meeting of the Council held at Geneva, June 10th, 1926, it was clearly expressed that the maximum number of the Members of the Council should not exceed fourteen. Thus M. Scialoja stated that: "Fourteen was a large number—perhaps too large—to allow of the efficient working of the Council while observing the principle of unanimity."

China and the Council

China holds no permanent seat on the Council, but since January 10, 1920, when the Council was formally established it has been represented on that body for five years: 1920-21; 1921-22; 1922-23; 1926-27; 1927-28. In the second and third years of the League's existence, i. e. 1921 to 1922 the Council was composed of nine members, but the abstention of the United States reduced the number to eight, of which four were permanent and four non-permanent. This fact indicates that China was one of the four non-permanent Members from 1920 to 1922. At the third Assembly, September 30, 1922, the number of non-permanent Members was increased to six and, for the year of 1922-1923 China was one of those six. The number of members remained the same from 1924 to 1926 and during those two years China was not represented. As a consequence of the rules about the composition of the Council adopted by the Assembly on September 15, 1926, the number of non-permanent membership was increased to nine. After an interval of three years China was again elected as a non-permanent Member, but the term of such representation will expire in September of this year.

In view of the rules of 1926 and China's position in the League, it is highly improbable that China will be elected again in the coming September. There are many indications pointing to the conclusion that China will not be reelected until two or three years later. It, too, has been proven that the rules of 1926 will remain unchanged for sometime. In the Eighth Assembly firm opinions were expressed that the present system should be given a fair trial and should not be changed during the session. The only reason giving us cause to think that China would probably be reelected non-permanent Member on the Council, is that China has now a unified government and has, by various international negotiations such as the fundamental adjustment of its treaty relations and the settlement of certain outstanding international claims, elevated its international status.

The Chinese Policy in the Council

As already observed, China has not definitely and unequivocally presented its claim for a permanent seat on the Council; however there have been many occasions on which the Chinese Delegation to the League considered it appropriate to declare that China does possess such a desire and wants to reserve the right to make such a claim at opportune moments. Following the submission of the report of the Committee on the Composition of the Council, to the Council on September 4th, 1926, Chao-Hsin Chu declared that he reserved the right to put forward the Chinese claim to a permanent seat whenever a suitable opportunity offered.

The real Chinese policy in the Council so far announced is what is called the "geographical principle," a principle that the Asiatic continent, aside from the fact that Japan has a permanent seat on the Council, also has the right, together with other continents, to be entitled continually to one non-permanent seat. This policy was first made known by the Chinese delegate in the First Committee of the first Assembly, in which he moved, among other proposals, for a geographical allocation of the non-permanent seats. Thus in the Eighth Meeting of the First Committee of the Assembly held on December 8th, 1920, Dr. Wellington moved:

> Of the four non-permanent Members to be elected by the Assembly in 1920 three shall be selected from among the Members of the League from Europe and the two American Continents and one selected from among the Members in Asia and the remaining parts of the world.

According to Dr. Koo this proposal had the following advantages:

(a) The distribution he suggested would strengthen and consolidate the League, and increase the confidence felt in it by all countries. If it was not adopted, Asiatic countries might feel that their interests were not adequately represented on the most important body of the League and that the League was merely an Occidental institution. . . .

(b) The suggested distribution was eminently just. It was necessary that some method of distribution should be adopted, because if distribution was left entirely unregulated, it was possible that Members might combine in such a way that all four Members would come from Europe or America. That would be against the best interests of the League.

The motion was carried by a decision of thirteen to twelve. This decision, however, could only signify the majority opinion of the First Committee of the Assembly and as such produce no binding effect on the Assembly. Consequently, it has never been strictly adhered to, and China was unable to secure representation on the Council from 1923 to 1926. This shows that the Chinese policy to secure representation on the Council by means of successive reelections up to the moment deemed opportune for the nomination of China itself as a permanent Member of the Council, has not been very successful. Hence, Chao-Hsin Chu, in asking the Assembly to advise the reconsideration by the Members of the League of China's unequal treaties as provided for in Article 19 of the Covenant at the Sixth Plenary Meeting on September 11, 1925, said:

> Owing to the non-observance of the geographical principle in the election of non-permanent Members to the Council, China has not yet been able to reobtain her seat on the Council since 1923, and the Chinese people have not known whether the League still has its eye on the continent of Asia.

China Needs a Permanent Seat

What has been called the Chinese policy so far is in fact the policy of the Peking Government. The Nationalist Government is at liberty to continue it or to supersede it by some other policies. Judging the matter by the interests of China in their relations to the circumstances existing in the League, it seems to be a sensible and sound policy, for it has always been a fundamental principle in diplomacy to secure what is available and practical at the given time and then reserve the right to procure further benefits when future opportunities present themselves. But here we must distinguish the *ad interim* from permanent policies. To seek for successive reelection can only be reckoned as an immediate and *ad interim* policy, for reelection would hardly occur continuously, although as long as it occurs it is tantamount to a permanent seat.

It is a matter of common knowledge that Belgium, because of her unique position in the Great War, has been assigned an important role in the League, but this fact does not in itself accord continuous elections to her. Last year she failed to receive a two-thirds majority of the total votes cast as required by the rules of 1926 for the reeligibility of nonpermanent Members. To secure election to the Council by the Assembly is dependent on many other factors. Observers on the affairs of the League can surely tell that many times small nations were elected to the Council, not because of their political importance but rather because of the fact that they were represented in the Assembly by able persons who had been recognized to have contributed largely to the course of the League. Furthermore there has rapidly developed in the League what we daily encounter in the realm of national politics. Blocs are formed and transformed chiefly according to issues; log-rolling is not unheard of. Sometimes the ability to give elaborate entertainments and lavish disposal of beverages proves to be by no means a meagre factor. All this goes to show that no nation can depend on continuous election.

It is now time for China to bring forward its claim for a permanent seat on the Council. The Nationalist Government is an accomplished fact. As soon as it will have been duly recognized by the Powers, such a task should be attended to. In obedience to the sentiments of the people, it must, by whatever legitimate and appropriate means at its disposal, elevate China's international status. Indeed, the claim for a permanent seat on the Council is just and legitimate, which fact has long been recognized in the League not only by the representatives of China but by those of other Powers. The Committee on the Composition of the Council readily saw this. In its report to the Council, the Committee repeated the opinion given in the final passage of its provisional report of May 1926:

> The Committee considers that the increase of the number of the non-permanent seats on the Council will permit the Assembly to take account in a more comprehensive and equitable measure of the principle of geographical distribution of seats, in accordance with the recommendations adopted by the third, fourth, fifth and sixth Assemblies.
>
> It is right to record that the Committee was unanimously favorable to any allocation of three non-permanent

Making a New China Out of a War-Torn Nation

After many years of civil war, the Chinese outlook has brightened with the triumph of the Nationalist armies and the recognition that China has just obtained from the United States. For the moment a threatening situation in Manchuria is added to the tremendously difficult problems of the new regime. The article below, written by the author of "The Restless Pacific," describes the principal economic and political questions that now confront the Peking Government and the powers interested in China.

BY NICHOLAS ROOSEVELT

(In the New York Times, August 5)

NOW that China south of the Great Wall has been unified under the control of the Chinese Nationalists, civil warfare in that country is ended and the era of civilian tutelage has begun. So, at least, the spokesmen for the Chinese Nationalists have declared. They say that the quarrels of bandit generals who have sucked the life blood of China during the last fifteen years have been composed. A new China, devoted to peace and determined to create and maintain an orderly and effective Government, has been born.

Thus has the prophecy of Dr. Sun Yat-sen, the father of Chinese nationalism, been fulfilled, and the work of his disciples to bring peace to distracted China has been vindicated. China, say the Nationalist spokesmen, has been revolutionized and revitalized. Henceforth her attention is to be devoted to the problems of peace.

The "New Era" in China

A world, almost as weary of a wartorn China as are the Chinese peasants, joins with the Nationalists in hoping that this new day has at last arrived. Experience in China has shown, however, that aspirations are often mistaken for achievements, and that it is the policy of caution to accept enthusiastic promises of a "new era" with sympathy but without too great expectations. When the Manchu dynasty was overthrown in 1912 and the republic proclaimed, the world was deluged with prophecies and promises even more glowing than those which come from present-day China. Eager sympathy with the Chinese cause at that time led to the acceptance of these aspirations as accomplished facts. The passage of events soon showed, however, that this excessive optimism was premature. Changes in China are proverbially slow. While hoping for the best, it is essential not to expect too much too soon.

Heavy Task of Civilian Rule

The attention of the Chinese leaders is being directed toward the tasks of civilian organization. These are so momentous that they deserve careful examination by the outside world.

First and foremost is the problem of the militarists. They have ceased fighting and are, for the moment, in accord with the civilian leaders of the Nationalist Party. But they are the men who still have the actual power in China. They control the soldiery and the mechanics of war, and in their hands today lies the future of China. If one or another becomes dissatisfied with the conduct of affairs by the civilian leaders, he can plunge the country into civil strife again. If the fiscal or other policies laid down by the civilians are antagonistic to the selfish interests of one of these war lords, the enactment of such policies can be checkmated.

At the present moment there are the "Big Three" among the war-lords—Chiang Kai-shek, the General of the Southern Nationalist armies; Marshal Feng Yu-hsien, the erstwhile "Christian" General, and Yen Hsi-shan, for years Governor of the "model" province of Shansi. The first named has been the most effective ally of the Nationalist cause, and has been moderate and consistently friendly to the better elements among the civilian leaders. The second has a record of disloyalty to his associates which makes his position always uncertain. The last has the distinction of having kept out of the civil wars for fifteen years and of having successfully concentrated his efforts on the modernization and economic development of his province.

But each of these men is "out for himself," and, thanks to the devotion of his soldiers, is a power to be reckoned with in the events of disagreement. To win and to hold the loyalty of these three generals is therefore the first task of the Nationalists. In fact, any one who cares to embark on the perilous project of prophecy about China might not go far wrong if he were to say that on the ability of the civilians to control the militarists depends the success of the Nationalist movement today.

Government to be Organized

Next in importance, and directly connected with the war lords, is the task of organizing an effective Government. For the moment control is in the hands of the Council of the Nationalist Party. Actual power, however, is still exercised by Provincial Governors and war lords. The task is to adjust the regional and national Government on a Federal basis.

Fortunately for China, the machinery of local self-government, except when interfered with by the militarists, proceeds as it has for countless generations under the direction of the Village Elders. But the Nationalists have several tasks which require a centralized authority. These are: the preservation of order and suppression of militarist uprisings; the reorganization of China's financial system, including refunding of debts, revision of taxes and reform of the currency; the establishment of China's relations with foreign nations in accordance with the principles and accepted practices of international law.

It is clear that the relations of China and the foreign powers is a matter of utmost importance. A number of factors are involved. First is the question of prestige. There can be little doubt, for example, that the recognition of the Nationalist Government by the American Government, and the negotiation with that Government of a treaty granting to China full tariff autonomy strengthened the Nationalist Government at home and abroad. America was the first of the great powers thus to extend a hand of friendship to the new China. Others cannot but follow suit.

In the next place, the refunding of China's debts concerns foreign nations. There are outstanding today upward of $500,000,000 of foreign loans, part of which is in default. Some of these are secured by the revenues from the maritime customs service and the salt tax. Others are inadequately secured. A part, known as the "Nishihara loans," involves delicate questions of international politics. To reorganize and refund these loans will require long negotiations with China's foreign creditors.

The revision of China's taxes likewise concerns foreign interests. China's tariff has been determined in the past by treaty agreements between the powers and China, and the administration of the customs collection has been in the hands of foreign supervisors employed by the Chinese Government. The original purpose of this system was to relieve the foreigners of the unequal taxes placed by the various provinces on imports and exports. It is particularly notable that in the treaty between the Americans and the Chinese Nationalists just signed China engages not to permit the assessment of any of these local taxes commonly called "likin."

The United States has accepted the principle of China's right to fix her own tariffs. The other nations will undoubtedly have to follow suit, although it is not unlikely that the powers to whom a Chinese tariff can be commercially disadvantageous will delay as much as possible the negotiation of treaties granting tariff autonomy.

Of lesser importance because of no vital interest to the Chinese people is the gradual abolition of the right of extraterritoriality which foreigners now enjoy in China, and by which they are subject to their own, rather than to Chinese, legal jurisdiction. Much nonsense has been written about the

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seats to Latin America and that adequate representation should be given to Asia. The Chinese delegate strongly urged that at least two seats should be allotted to Asia and the other parts of the world outside America and Europe.

China is now on the threshold of a new era in its foreign relations. Never in any period of its history has its people been so conscious of the affairs of the world and of the attitudes of other Powers toward China. The Chinese people has awakened to its national consciousness and strength and realize that China, while cultivating the happiest relations with the Powers, must exert its claims for a rightful position in the family of nations. China is anxious to play a role due a great nation not only in the maintenance of peace for which its people has been reputed for centuries, but also in the promotion of the material and particularly cultural advancement of all the nations. Surely China has "general interests" in the League. The greatest problem now confronting China is that it should be free from the threat of foreign aggression and from the legal and practical limitations now existing which have prejudiced the exercise of its sovereign rights and prevented it from securing adequate public revenues, so that it can develop a unified and stable government according to the needs and genius of its people.

The Chinese people has perfect confidence in the League, although circumstances in the past few years were such as to have prevented it from the fullest participation in the affairs of the League. What China expects most from the League is to see recognized and assured to the Chinese people the international position to which China is entitled. And China on its part will surely be solicitous of making whatever contributions toward the realization of the lofty aspiration of the League.

Shanghai, Sept. 5, 1928

hardship to the Chinese of the system of extraterritoriality. Except in so far as it is an infringement of China's sovereignty, its continuance is of scant disadvantage to any of the Chinese people.

In the realm of international affairs no single matter is of such importance to China and to the world at large at the present moment as the fate of Manchuria. This region, which comprises the three easternmost provinces of the old empire, has been for years under the control of Marshal Chang Tso-lin, who was killed early in June by a bomb. He tried on two occasions to become the dominant factor in China, but failed. He was driven out of Peking last May by the successful Nationalists. His defeat consolidated the control of the Nationalists over all of China south of the Great Wall. But Manchuria is still beyond their sphere.

Importance of Manchuria

The importance of Manchuria lies in the fact that it is the richest undeveloped region in Eastern Asia. Its resources in coal and iron have been for years successfully exploited by the Japanese. Its great plains of rich virgin soil have been settled by millions of Chinese colonists during the last half century.

At the same time Manchuria has been coveted by the Russians. It was for the control of Manchuria that the Russo-Japanese war was fought. As a result of that war Japan obtained important railroad and other concessions in Southern Manchuria. Russia and Japan by a secret treaty divided Manchuria into two spheres of influence. Since the outbreak of the World War and the collapse of Russia, Japan has slowly pushed its interests into the northern (Russian) sphere. It has encouraged the building of railroads to drain the Russian area and to cripple the Russian-built Chinese Eastern Railway.

Japan's special interests in Manchuria prompted her, when Chang Tso-lin retreated from Peking before the advancing Nationalists in May, to warn both factions that no fighting would be permitted within the borders of Manchuria. It was made clear that if necessary Japan would use her own troops to prevent the Chinese from fighting.

A Detached Province.

This action of Japan raised two points of vital interest. By preventing the Nationalists from pursuing the Mukdenites into Manchuria, Japan, in effect, detached that region from the rest of China, unless the Nationalists could establish a peaceful partnership with the Manchurians. To the Nationalist military leaders the proposition resolves itself into risking a war with Japan, with the almost inevitable lining up of world opinion on the side of China, or of seeking a peaceable solution of the difficulty.

As yet there are no signs of fighting. At the same time, by announcing the hands-off policy, and making it clear that Japan would use her troops to keep the peace in Manchuria, Japan interfered directly in China's internal affairs and served notice on the world that she considered Manchuria as, in effect, a Japanese protectorate. Inasmuch as the foreign powers have been unwilling to recognize Manchuria as a Japanese protectorate or even as an autonomous State, this action at once raised diplomatic complications which are by no means yet settled.

The result is a situation that is fraught with danger. On the side of Japan is the fact that her control of Manchuria, as exercised through the late Chang Tso-lin, made that region the only peaceful and prosperous part of China during the years of civil warfare that disrupted the rest of the country. Thanks to Japanese technical skill and efficiency, the railroad system in Manchuria is second only to the finest in the United States. Everything possible has been done to further the economic development of the country. The Chinese, as much as or more than the Japanese, have profited from the effective maintenance of order in Manchuria. It would be a calamity if the civil war were permitted to devastate the Manchurian provinces, to which so many millions of Chinese coolies have fled to escape the horrors of starvation and warfare in the rest of China.

On the other hand, there is no reason to believe that Japan would be any better off if she established a protectorate over Manchuria than she has been during the last dozen years. Unfortunately, there is still a powerful clique close to the Japanese Prime Minister that regrets the fact that Japanese control of Manchuria was not consolidated at the time of the twenty-one demands in 1915. It believes that it is well to establish Japan's control now, before the Chinese Government becomes powerful enough to offer active opposition to Japan's designs. Against this group are the business interests, who believe that if Japan attempts to alter her relations with Manchuria she will suffer in her trade relations with the rest of China, which are admittedly of great importance to Japan.

Fortunately for world peace, this powerful factor for conciliation is reinforced by the fact that the Nationalists are not strong enough to risk an active war with Japan. It was amply demonstrated at Tsinan in Shantung, early last May, that a small detachment of highly trained, well-equipped Japanese troops could dispose of a very much larger number of poorly trained and equipped Chinese. The disparity in the military establishments of the two nations is so great that China could not possibly expect a victory. Delay and negotiation—two methods dear to the Chinese heart—are therefore the logical weapons of the Chinese. In the meantime Japan is feeling out world opinion and may be expected to be influenced by it.

Without indulging in undue optimism it may be said that the new China faces a more rosy future than could have been foreseen a year ago. Her problems are difficult to solve, but for the moment, at least, she has the advantage of a reasonable degree of unity among her different leaders—more so, perhaps, than at any time since 1900. With respect to the outside world she finds that although she is seriously embroiled with Japan, America has extended a friendly hand, and Great Britain may be expected at any moment to do likewise. With Soviet Russia her relations are temporarily, unfriendly. Not only have the Chinese Nationalists broken with their former allies, the Russian Communists, on the ground that the latter interfered in China's internal affairs but Russia's intrigues to detach Mongolia from China and join it to the Union of Soviet Socialist Republics have roused Chinese ire.

Continental Europe's Response

It is not surprising to find that Continental Europe, especially France, which has clung to the reactionary theory that foreign overlordship (preferably by Japan) alone could restore peace to China, is skeptical about the stability of the new Government and is resentful of America's leadership in negotiating new treaties with China.

This note of caution—perhaps even of distrust—which comes from European sources should not be ignored by the friends of China in the United States. If the new era is really at hand, it is just on the threshold. There are many stormy days ahead during which hopes must be tempered with patience, and optimism checked by facts.

Furthermore, unless the situation is to be as badly misjudged by Americans as was the establishment of the republic in 1912, it is essential to bear in mind that modern China cannot be interpreted in the light of present-day America. Unfortunately, we apply to Chinese politics those terms and labels which we use for our own. Because we call China a "republic" we overlook the fact that it has no President, no Constitution, no Legislature, no common suffrage nor any of the paraphernalia that are fundamental in our American system. In using the term "nationalism" we forget that this concept is of only recent origin in our Western world and that in China the sense of common interest has heretofore never extended beyond the province.

When we speak of "modernizing" China we close our eyes to the fact that outside of the treaty ports and those few regions where Western influence has penetrated, social conditions are not unlike those of Europe during the Middle Ages. There are only about 6,000 miles of railroads in all of China, compared to nearly 300,000 miles in the United States. Roads are few and utterly unfitted for modern travel. In large areas everything is carried by man power.

In transforming itself from a loose alliance of feudal provinces into a modern nation, China is endeavoring to do within a few years what it took the various European peoples about five centuries to achieve. Is it to be wondered, therefore, that China seems weighed down by its inertia, and that the changes which her leaders—and the outside world would like to see her effect, are slow in being inaugurated?

When the Students "Seized" the Peking Electric Works

A recent Peking dispatch to the *New York Times* stated that the shareholders in the Peking Chinese Electric Company, a corporation entirely Chinese-owned, are aghast at the partial confiscation of their immense business by forty students.

Three years ago the company, hoping to train competent electricians, opened a school for promising young men. The company gave free board and lodging to forty chosen young fellows, paid them $20 a month each and gave them technical training akin to an American university course in electrical engineering.

After the Nationalists took Peking these forty students suddenly announced that the corporation's Board of Directors was dismissed, that they, the forty students, would henceforth constitute the Board of Directors, and that hereafter half of the company's annual earnings would go to the forty new directors, the other half being left for the shareholders.

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Outstanding Facts in the Present Situation in China

BY GEORGE H. BLAKESLEE, PH.D.
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I shall attempt to present a survey of the outstanding facts in the present situation in China based upon experiences during a recent trip through that country.

Six Outstanding Facts

Nationalism

The first fact is that nationalism in China is strong and genuine, and that many of its leaders are men of ability and character. This nationalist movement as a whole, of which the Nationalist political party and the nationalist government at Nanking are but two manifestations, aims to free China from all foreign control and to make it a modern state. It is supported by the Chinese people in all parts of the country. Even in the north the Nationalist movement in its broader interpretation has had the backing of the Chinese as a whole, while approximately half of them have wished to see Peking captured by the Nationalist armies of the South.

Chinese Attitude Toward the Powers

Second: the attitude of the Chinese toward the foreign Powers in general during the past year has become more moderate, and their demands more reasonable. This change has been due in part to the growing seriousness of the internal situation in China and in part to the recent elimination of Russia and Russian influence. Notwithstanding this growing moderation, however, the Chinese are very anxious to revise the so-called unequal treaties, and on one point they are insistent—that they be given tariff autonomy by January 1, 1929. As is well known, during the Tariff Conference at Peking, in 1925-26, the Powers agreed that the treaty which they hoped to conclude should contain a clause granting China tariff autonomy on January 1, 1929. Technically that promise has now no legal binding force, since no treaty was made. Nevertheless, all the Chinese with whom I talked believe that the Powers are bound by that pledge, and a considerable proportion of foreigners, especially Americans and British, feel that the Powers are morally committed by it.

Both the Peking and the Nanking Governments have stated that they are at full liberty to put in force their own tariff on January 1, 1929, and apparently they intend to do so, treaty or no treaty. Both have recently established commissions to consider the tariff, and a few weeks ago, shortly before I left China, both had agreed in principle that their two commissions acting jointly would cooperate with the Powers in trying to reach a settlement on this perplexing issue. For some time the chief obstacle to a solution of the tariff problem has been the absence of a single government, or a joint commission, which could speak for China as a whole. Both the United States and Great Britain, as is clear from their official statements, are now willing to grant tariff autonomy to China, if they can do so in some legal way and with a pledge that they shall suffer no discriminations; while Japan has promised to do the same, provided a special reciprocity treaty can previously be made, which will save her from the disastrous economic consequences of a high Chinese tariff on such goods as cheap grade cotton cloth, which Japanese export in large quantities to China.

From recent conversations with many thoughtful Chinese and foreigners it is evident that it is of the utmost importance, if it can possibly be done, to settle this question of the Chinese Tariff during the next few months, in order to do away with the likelihood of serious complications between China and the Powers on and after the first of January of this coming year.

Results of the Civil War

Third: civil war in China has brought widespread suffering and discouragement. All Chinese long for political unity, but, this past winter, they were not very hopeful of obtaining it in the near future. While many of them in the South still believed in the possibility of unity by military conquest, that is, by the conquest of Peking by the Nationalist troops, the majority apparently, both of Chinese and of foreigners, did not believe that this unity could be achieved by military means. One of the greatest obstacles appeared to be the practical independence of the war lords. As a prominent Chinese, a returned American student, said:

Our armies in China are like the armies in Italy 150 years ago. Those armies belonged to the counts and the dukes, they did not belong to Italy. So our armies are the armies of the war lords and not the armies of China.

And at a luncheon, this past January in Peking, a retired Chinese official, a Yale graduate in the '80's, when the topic of political unity arose, turned to me and said:

"Unity will not come to China in my lifetime; it may not come in yours." Again and again Chinese have said, when they were willing to speak frankly:

"We must probably go on with this civil war for possibly a decade more before we can gain real political unity."

The capture of Peking by the Nationalist armies, a military success not generally anticipated, does not solve China's political problems. Even a few months ago it was realized that the conquest of Northern China would be less difficult than to unite the various war lords into a single strong government. As a prominent Nationalist leader has recently expressed it, "With the capture of Peking our most serious difficulties are only beginning."

Attitude Toward the United States

Fourth: the Chinese as a whole regard America as their best friend. In their judgment that relationship involves a certain obligation on the part of the United States. This typical attitude was well expressed by a young military officer in one of the Nationalist armies, who said:

We are working for the upbuilding of China. We find we are thwarted by the unequal treaties with the Powers. We regard America as our best friend, and we therefore look to America to take the lead in the revision of these treaties.

In addition to this point of view, which is held generally throughout China, the Nationalists of the South, this past winter, desired formal diplomatic recognition by the United States. Short of that, they asked for more direct and more frequent communication between the officials of their Government and those of the United States. This request, which was regarded as reasonable by a large majority of the Americans with whom I talked in Shanghai, seems to have been met in large part, at least, by the statesmanlike settlement of the unfortunate Nanking incident of a year ago, the wisest step which our Department of State has taken for some years in its Far Eastern diplomacy.

A problem which has often arisen in the past is whether the United States, in dealing with China on important matters, should act independently or in cooperation with the other Powers. On that issue I found an interesting difference of opinion in the Far East, typified by statements of outstanding leaders of China and Japan. In a conversation with General Chiang Kai-shek, when I asked him if there were any essential facts which he wished Americans to understand, he said:

"It is vitally important that the United States should negotiate directly with us, and not in cooperation with either Great Britain or Japan." Shortly after that I went to Tokio, where the Prime Minister, Baron Tanaka said,—giving permission to quote,—

"The most important consideration regarding China is that Japan and the United States should cooperate as closely as possible on Chinese issues."

Conflict in Manchuria

Fifth: the most acute of the permanent issues in China is Manchuria. A great, fertile, only partially-developed region, it is the meeting place of the conflicting policies of three potentially great states—Japan, Russia and China. At the present time, it seems to be generally agreed, Russia as a great power has been practically eliminated in influence from central and northern Manchuria; but in a decade or two, as some of the more thoughtful Japanese point out, Russia will come back in Manchuria, and her aims and policies will then be what they have been in the past.

But today the conflict is between China and Japan. There are many detailed issues which make friction between them. China by the twenty-one demands, which the Chinese do not regard with particular affection, promised to lease land in Manchuria to the Japanese, but now refuses to do so. The Chinese officials are levying many taxes which the Japanese insist are contrary to existing treaties. There is also friction over railroad development; the Japanese claim that the Chinese are building certain new railroads by themselves which they promised should be cooperative Chinese-Japanese enterprises. Then there are the Koreans in Manchuria, from 600,000 to a million of them. Since they are Japanese subjects, the Chinese officials, as I ascertained from both Japanese and Chinese sources, have been ordering the Chinese landlords to put them out of their leaseholds, in order to limit what the Chinese regard as the growing political power of Japan in the country.

While there are many detailed issues in Manchuria, there is only one central problem. As the Japanese view it, it is, "Shall Japan be permitted to maintain its present political and economic position in Manchuria?" To the Chinese, it is even simpler, "Is Manchuria, a part of China, to be Chinese, or is it to be Japanese?" Frequently I asked leading Chinese in Peking

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whether they could not compromise their differences with the Japanese, at least temporarily. Usually they replied, "No." One of the most influential Chinese said:

"We are too weak to do anything now, but the clash will come in the days of our children." Manchuria, then, is one of the danger spots in the Far East.

In a way American policy is affected by this Manchurian situation. When I had the pleasure of meeting General Chiang Kai-shek, before I could put a single question, he said, "What about the Morgan loan to the South Manchuria Railroad?" He explained that he was opposed to it; that all Chinese were opposed to it; and that if the loan should be made, it would seriously affect China's friendship for America. After that I brought up the question of the Morgan loan with nearly every Chinese with whom I talked, and found no difference of opinion; they all expressed views similar to those of General Chiang Kai-shek. I said to the General, "Are you opposed to the loan because it would help the North against the South?" He replied with vigor, "No, because it would give American help to Japan against China."

The Japanese, however, would regard interference by the American Government with the making of the loan as little less than an unfriendly act. Their South Manchuria Railroad provides excellent financial security, their leasehold title to it is unquestioned, so why should an American banking house not make a loan to it, if terms can be arranged?

In view of the present aggravated situation in Manchuria, many thoughtful Americans in the Far East believe that it would be wise for the United States Government, so far as it can do so consistently with its old established policies, to avoid any act in Manchuria which would be interpreted by either Japan or China as unfriendly or as favoring one nation at the expense of the other.

The Situation in Shantung

Sixth; and finally, just a word on the present unfortunate situation in Shantung. The newspapers, although giving many details regarding it, have not pointed out one fact which a Chinese would be sure to stress—the possible connection between the Shantung situation and Manchuria. Last summer the Japanese sent 4,200 troops into Shantung, maintaining that they were justified in taking that step for the protection of Japanese life and property, just as the British and Americans sent marines and warships to Shanghai. But the Chinese—at least all the Chinese with whom I talked—were convinced that the Japanese sent those troops into Shantung to block the Nationalist advance, apparently in order to safeguard Japan's position in Manchuria. Further, the Chinese very generally believed—I have had the account told to me frequently in detail—that a year ago Japanese soldiers, to the number of hundreds if not thousands, put on Chinese uniforms and actually fought in Shantung against the advancing Nationalist Army. This belief, for which there does not appear to be adequate justification, is doubtless back of a good deal of the Chinese feeling against the advance of Japanese troops in Shantung at the present time.

The attitude of the Chinese Nationalists also rests in part upon the belief that the Japanese are supporting Marshal Chang Tso-lin. The truth is that, although they did give him support in the past, more recently they have become indignant at his conduct toward them. He equivocates; he promises, and does not keep his promises; and has greatly injured Japanese in Manchuria through his economic measures, particularly his depreciating paper money.

This situation creates a genuine problem for Japan. How the Government will meet it may be uncertain, but Japanese public opinion, as anyone recently in Japan can state with assurance, is strongly opposed to military aggression in China, but is insistent upon the maintenance of Japan's present status in Manchuria.

Japan's Attitude

A word may be added regarding the attitude of Japan toward China. The Japanese appear to be unanimous in believing that their interests are closely tied up with those of China. As one of their Ministers of Foreign Affairs has expressed it, "With a large population in a small territory, Japan's very existence depends upon close economic cooperation with China." All Japanese desire this, but, judging from many conversations with representative Japanese the past few months, they are greatly perplexed to know how to achieve this cooperation.

Relations of the United States

Finally there is the question of the status of our own country in the Far East. So far as one can base a judgment upon the experiences of a recent visit, the relations of the United States with both China and Japan are better than they have been for some time. Notwithstanding the present friction between these two Far Eastern countries, there is no valid reason why our relations with each of them may not only continue to be satisfactory but even increase in friendship.

Can China Become a Great Military Power?

BY HARVEY R. HARRIS

THE Nationalists of China have demonstrated their belief that the only way to secure national unity and betterment lies through force of arms; they have not yet demonstrated the belief that the only way to secure full recognition by the nations of the world and a treatment of equality by those nations also lies in China's ability to display military strength. It may be, indeed, that all of the Nationalist leaders are not turning over in their minds the immense psychological benefits (later to be translated into all other kinds of benefits) to be gained by an exhibition of superior military strength over some rival world power; but that some of the Nationalists are fondling such dangerous thoughts cannot safely be ignored or denied. It is well to recognize the existence in China of this type of militaristic thought, which may prove a tremendous power to reckon with before so very many more years roll away.

It is practically impossible for the average layman to conceive China as a powerful militaristic state. It is even more difficult for him to conceive her as a menace to the peace of the world. He is too aware of China's present military impotence and of her great problems—of unification, of political and economical stabilization and development, social regeneration through education, etc.—which seem so fully to occupy her present thought. The idea of a friendly, conservative, peace-loving China taking up aggressive warfare is ludicrous to him. The picture of a country that has built but one gunboat for her own use since 1911 making war upon one of the powers of the world strikes him as being the height of the ridiculous. He carelessly forgets History's tales of weak countries become strong, and rests confident that the contemptible Chinese army shall ever remain contemptible.

I have implied that there are those among China's thinking people today who hold the honest conviction that before China can take her place on a footing of equality with the rest of the great family of nations, she must wage successful war against some recognized world power. Representative of these people is a certain lieutenant-general with intelligent, penetrating eyes, whose name I shall withhold, not having permission to use it. This general, when I asked what he believed to be essential to China's future development and ultimate greatness, answered directly and with the emotion of deep conviction: "I am a militarist. I believe that China must successfully wage war before she will be properly recognized by the nations of the world. Might alone gets recognition; for the people of the world feel no influence save the influence of force." Not only is this argument a strong one, it is one which the Chinese people will appreciate to the very fullest extent; for China has felt military force, and, furthermore, she has seen the world sit up and take notice of Japan after that country exhibited victory over Russia. This phenomenon I recalled to the lieutenant-general. He rejoined, "It will be easy to get up an army against a foreign power." Here again I sympathized, remembering China's unfortunate experience with the first foreigners of her acquaintance; but I also suggested that the world is gradually taking over the ideas of arbitration and compromise; that one might see evidences of this in the work of the League of Nations, in the Locarno Pacts, in Briand's and in Kellogg's Peace Proposals, etc. But the militarist before me looked skeptical.

As the conversation continued, I advocated a strong army and navy for China—for the purpose of national defense, for the purpose of backing up the central government with which it should definitely cooperate, for the purpose of safeguarding treaties and other international agreements, and, finally, for the purpose of protecting Chinese lives and interests wherever these might be found. I condemned armies and navies as instruments for settling international disputes, and certainly as instruments for demonstrating power and, hence, for attaining prestige and respect. I suggested to the lieutenant-general that the movement to treat China as an equal was afoot and that, despite some insincere declarations which would doubtless become manifest, China would eventually come into her own without having had recourse to the medium of war. The lieutenant-general listened intently as I tried to bring to him some consciousness of the fine new spirit that seems gradually to be gripping the world; but I knew I had not won a convert. The penetrating eyes of the militarist told me he was dreaming of things far removed from peace. Perhaps he was enjoying the vision of Japan lying prone at his feet.

Shanghai College, Sept. 6, 1928.

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A CHINESE STUDENT IN THE FORD WORKS

(*Continued from page 79*)

communistic ideas, and which, in its editorials, often advised the automobile workers to unionize, is allowed to be sold right at the gate of the Fordson Plant. The company has, to be sure, a factory service department which has so-called service men stationed at various places. Their chief duty is to look out for loafers and intruders, and particularly to prevent thieving.

8. Personality in industry. Among the dehumanizing influences that have been often been ascribed to the modern factory system the most important ones are speed, repetition, and lack of personal contact between labor and management. These are some of the inevitable consequences inherent in modern mass production and the extensive use of automatic machinery. Many authors have written on this subject and there is no need for elaboration here. In this paragraph I shall briefly discuss these features in connection with the Ford Plants.

a. Speed. No visitor to the Ford Plants ever fails to carry back the impression that the conveyor system speeds men to their utmost capacity. Each man is allowed only a limited time to complete his job and a limited space in which to execute his movements. Any delay on the part of one man makes it necessary for the whole gang to cease work. Repeated failures of this kind very soon eliminate the incompetent from the production line. Men are constantly in a state of nervousness and high tension. This, however, is only superficial observation. The speed of the conveyors has been so carefully regulated that, after a man has automatized his few simple operations, he can get his job done within the time allowed without undue haste and strain. If one is not unusually nervous or slow, he has no difficulty in working on the conveyor line. Then we must not forget that the conveyor system is only used in a few places in the Ford Plants. There are many departments where machines do the work, leaving little to be done by men. The workman has plenty of time to do his job, which sometimes consists in merely taking readings of certain measuring instruments. To a casual visitor the conveyor system is the most striking feature of the factory. He naturally falls into what we call in psychology the "fallacy of selection."

b. Repetition. Repetition is another indictment of the modern factory system. It is often asserted that monotony of work intensifies fatigue, creates disgust for work and produces mental abnormality. The Ford Motor Company is particularly known for its minute division of labor and the deadening monotony of its production process. The danger of repetition seems to me to be more imaginary than real. The human organism is remarkable for its adaptability to situations. After a man gets used to certain processes, change does not always appeal to him. In the Ford Factory there are abundant opportunities for men to exchange their jobs. But the men are not at all inclined to avail themselves of these opportunities. Most of them prefer to stick to their own jobs rather than to trade with others. Then we must remember that the workman spends only eight hours in his factory work. Allowing eight hours for sleep and one hour or so for going to and coming back from the factory, he still has seven hours for himself. He can find something different to do in his spare times to offset the monotonous effect of his factory work. Moreover, the minute division of labor is a necessary evil of the modern factory system. To say nothing of other factors, the increase of population and the rise of the standard of living alone would make it necessary to have mass production. Mass production is impossible without the extensive use of automatic machinery and the minute division of the production processes. Unless we are willing to return to the domestic and the handicraft stage of economy, it is highly improbable that we can avoid repetition in our industrial system.

Master and Workman

c. Personal contact between labor and management. When the domestic system prevailed, the master workmen and his apprentices and journeymen worked side by side in their limited concerns. Labor and management were hardly separable. The advent of the modern factory brought into existence a wide gap between the employer on the one hand and the employee on the other. The bigger the factory, the more detached the two parties become. This is true in all big modern factories, and the Ford Motor Company is no exception. The company, in order to secure maximum efficiency in such an immense organization, has to routinize and standardize many processes in handling men. To the management, a workman is a badge number and very little else. Fortunately, the relation between the foremen and the workingmen is a very intimate one. The Ford foremen are promoted from the rank and file of the workmen. They know all the jobs under their supervision through personal experience. So they are appreciative of and sympathetic with the workers in their departments. A new man might be somewhat irritated by the rough language the foremen use when speaking to the men. One of the Ford employees told me that he disliked factory work because there was too much "helling." By this he meant that the foremen constantly shouted "What the hell?", when anything went wrong. But when one gets accustomed to factory usage, he can easily notice that the foreman's attitude is, on the whole, a friendly one. He uses profane language as a matter of deeply ingrained habit. Many foremen fraternize with the men and, in this way, they help to bridge the gap between labor and management.

How the Average Ford Workman Lives

During my two summers in the Ford Plants I made it my rule to live exactly like a regular Ford workingman. I not only roomed and boarded with them, but participated in almost all their social and recreational activities. I visited many of their homes and cultivated some very intimate friendships with them. In this section I shall endeavor briefly to describe the life of a Ford workman.

1. Factory life. A workman is, by regulation, supposed to spend eight hours every day in the factory. But as a matter of fact, he usually arrives from ten to thirty minutes before the work starts and leaves from five to fifteen minutes after the bell rings. Before he begins his work, he has to get his tools from the crib. After the work is over, he has to return the tools to the crib. He has to wash his hands and has to wait for his turn to punch his time card. All these things take time. Allowing from fifteen to twenty minutes for lunch and an hour or so for him to go to and come back from the factory on the street car or on a bus, it is safe to say that he spends in connection with his factory work from nine and a half to ten hours every day.

The time allowed for lunch varies with different departments. Fifteen minutes is the usual practice with departments where they run three shifts. Half an hour is also common, particularly with repair men. The Company does not provide lunch rooms but has arranged with a lunch factory to send wagon-loads of box-lunches to the Ford Plants at prescribed times. The company fixes the price and inspects the contents of the box-lunches. A box contains three sandwiches, a piece of pie, a piece of cake, and an apple, a banana or an orange. The whole box sells for fifteen cents. Milk and confectionery can also be bought from the wagon at very cheap prices. At the signal of a bell, all men rush to the nearest wagon. They form a long procession so that each man can take his turn. After lunches are secured, they seek for any convenient place to eat their meal. Many of them eat with unwashed hands. Fortunately the contents in a lunchbox are wrapped in wax paper so that there is no fear of contamination. Those who have homes in Detroit usually bring their lunches to the factory in tin boxes. The contents vary with different individuals. In general, they are better than the box-lunches sold at the wagons.

The shift changes once every two weeks, or, in certain departments, once every month. The day shift usually begins between 7 and 8 a.m. and ends between 3 and 4 p.m. The afternoon shift begins between 3 and 4 p.m. and ends between 11 and 12 p.m. The midnight shift begins between 11 and 12 p.m, and ends between 7 and 8 a.m. In departments where they run three shifts and change once every two weeks, a man works a fortnight on each shift in every 42 days. This, according to a concensus of opinion of the workmen, is rather upsetting to one's system. One is compelled to change his living habits once every two weeks. The midnight shift is particularly bad for one's health. Owing to family duties or noise in or around the house, one cannot sleep very well in the daytime. This means insufficient sleep and all its attending evils. What makes the change of shifts worse is that it necessitates almost a corresponding change for the members of the family, particularly for the worker's wife. She has to attend to his food and to see to it that he gets up in time and to control the children in such a way that noise in the house may be minimized. As things stand now, there seems to be no way to remedy this situation. Since the company has invested so much in capital stock and machinery it would be very poor business to run only one shift and let the plant be idle for sixteen hours every day. Then in certain departments, where there are furnaces, it is absolutely impossible to avoid three shifts. It is necessary there to maintain a constant temperature. Periodic cooling of the furnaces would entail inconceivable losses. Moreover, the increased expenses chargeable to overhead maintenance and fixed investment would raise tremendously the production cost of a Ford car, and, consequently, defeat the purpose of making a cheap car, which is the company's singular contribution to the public.

To return to the factory life of Ford employees, I must mention a few other facts of great importance. First of all, are the men terribly fatigued through hard work? To this question, I should say the man is fatigued, but not through hard work. This paradox needs some explanation. Practically all kinds of work that require much physical exertion are done by automatic machines. The company, we may say, has left nothing untried in the way of labor-saving devices. Overhead

cranes ars provided in nearly all buildings. Electric motors are installed wherever there is need for power to operate machines. Tools are so constructed that a minimum of application exerts the maximum of force. The position of the body and the movements of the hands have been, through years of experience, reduced to a definite form of procedure. Once the right procedure is acquired, all waste movements and unnecessary expenditure of energy are eliminated. Many men in the Ford Plants, however, get tired, not because they have too much, but because they have too little to do. The job of a machine tender, unlike that of an ordinary manual laborer, usually requires very little physical exertion. In many cases, he stands there watching the "Iron Man" work. He controls the switches, takes the reading of certain measuring instruments, and makes adjustment whenever anything goes wrong. Often it is his legs and not his hands that feel fatigued. The company requires everyone to stand up during the working hours. When the hands are not doing laborious work and the mind is not constantly occupied, it is quite natural that the feet begin to complain of the weight they are forced to carry. One of the workmen in a certain department said, when asked by the writer what he needed most urgently at the time, "Nothing but the freedom to sit down." This is certainly characteristic of the mind of most Ford workers in their working hours.

The Attitude of the Workmen

The description of tactory life would be incomplete with out inquiring into the attitude of the workman toward his job and toward the management. Jobs in the Ford Factory may be roughly divided into two classes,—regular jobs and miscellaneous jobs. By regular jobs I mean those that require constant attendance. The miscellaneous jobs are those that occur here and there and from time to time, and are done by those laborers who have no definite jobs. For illustration, a punch press or a milling machine usually requires a constant tender, whereas a heap of dirt, or a pile of bricks to be removed, only an occasional occurrence and does not require a special man to be on the job all the time. A regular job is usually expected to turn out a certain prescribed amount of product every day. The workman is responsible for what the schedule of production requires. He is naturally more or less conscientious toward his job. He works steadily, whether or not the foreman is present. The laborer who is doing a miscellanous job is entirely different. He has little or no sense of responsibility. He tries to evade his work in every possible way. I worked at times with this class of workmen, and I had plenty of opportunities to observe how they contrived all sorts of ways to shirk work and to kill time. Once we were told to remove a heap of bricks with a wheelbarrow. An ordinary load consisted of about twelve bricks. One of the men had a wheelharrow full of bricks. The heap seemed to have not less than sixteen. He told me to guess how many bricks there were. I said "Sixteen." He laughed and told me to count them. What should I find but eight bricks piled up in such a way that an empty space was left at the center, invisible from the outside. There were many other devices of this sort; but I need not stop to mention them here. I was constantly told by my comrades not to work fast. Whenever I happened to work faster than others, I immediately heard advice from all directions, such as "Take it easy," "Not piece work," etc. The miscellaneous jobs are not carefully supervised by the foremen. Whenever the foremen found the work slow, instead of hastening the workers they usually sent for more men. Such being the case, sometimes a ridiculously large number of men were engaged in a piece of work which could be done by half that number in less time.

The attitude of the Ford employees toward the company is, on the whole, very good. Here and there one may meet Bolsheviks and I. W. W's. But they are a negligible minority. The majority of the Ford workmen are fairly well satisfied with the existing state of affairs. They admire the ingenuity of Mr. Ford and the immensity of his organization. Some change in attitude, however, seems to have taken place this past year. Discontent is evident from the workmen's conversations. This is entirely due to the five-day-week scheme, which entails a serious loss in wages. Lots of men talk about quitting if the company will not take steps to adjust the wages. I noticed in several places this sentence on the walls: "More money or we quit." This is certainly something that the management should take into immediate consideration.

2. *Home life.* The Ford employees live under all sorts of conditions, from indecency to exquisite taste and refinement. The majority of them maintain a fairly high standard of living. An average Ford man may be described as follows: He is between thirty-five and forty years of age, a father of two or three children. His wife is somewhat, but not much, younger than he. She works hard at house-keeping and not infrequently gets a fairly good income through taking in roomers or boarders. He owns his house, or is paying for it on an instalment basis. If he does not own a house, he probably rents a whole flat. He has not only enough rooms for his household, but often one or two extra rooms to let. He has furniture, carpets, davenports, comfortable chairs. He has a few pictures

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on the walls and a few books on his shelf. He probably has a piano or a Victrola. He has a telephone and sometimes even a radio. Of course his house is supplied with modern conveniences, such as water, gas and electricity. He owns a car, most probably a Ford. He and his family have three square meals every day. They rarely have delicacies; but their food is substantial and fairly wellbalanced. When he puts on his street clothes, he is hardly distinguishable from an average American business man.

If he is not married, he is most likely between twenty-three and twenty-eightyears of age. He has no home of his own. He is probably rooming in a private boarding house, sharing a double room with some other workman. The room costs each of them from $3 to $4 a week. He eats in a restaurant, spending from $1.00 to $1.30 a day on his board. He has some savings in a bank. He contemplates getting into some business or getting married or both.

3. Cultural life. The average Ford employee, like the average American workingman, is almost destitute of any academic interest. He seldom has gone beyond the eighth grade. He has little or no interest in reading, except such things as concern his life immediately. He seldom goes to a library, attends a sermon, or listens to a lecture. His collection of books consists mainly of those antiquated grade-school texthooks he used to study while a pupil in the elementary school. He has no interest in art and no appreciation for music. So much for the negative side of this topic. To speak in positive terms, he reads newspapers every day without any interruption. He takes great interest in neighborhood gossip, in pool rooms and in drug stores. If he is a single man, he goes once or twice a week to concerts, burlesque, vaudeville, photoplays or public dances.

Meager as the cultural aspect of his life is, he appears to be a fairly intelligent and well-informed man. He has picked up, in the course of his life experience, a considerable amount of practical information. He is quite handy with mechanical things. He manipulates with some degree of dexterity electric appliances. He can do a fairly good job at painting, carpentering in and around his house. He knows a good deal about automobiles and can usually repair a car. He has some knowledge of business conditions, particularly in his own locality. He knows something about natural phenomena, such as weather changes, communicable diseases, common rules of personal and community health, etc. If we enlarge the term "cultural" to include all that is informational, the average Ford worker is by no means an ignorant individual, as one is apt to suppose him to be. Although he knows nothing of the "ologies," he is efficient in and contented with his world of practical experiences. Unlike laborers in other countries, where social classes are well marked, he never thinks himself insignificant in the presence of well-educated men. His attitude toward college men seems to indicate that he must be secretly saying to himself: "You have education; I have something else. We are equals."

4. Recreational life. In connection with home and cultural life, much has been mentioned which is more or less recreational in nature. To render this account complete, a few things will be added here. First of all, the majority of the Ford employees have cars. Many of them drive out in the late afternoons or go away for week-ends. Many of them go fishing and swimming on holidays. They play tennis, baseball, golf and billiards. Most of the younger men frequent parks, theaters, and dancing halls. A rather perverted form of recreation is visiting the so-called "sporting houses" of which, I am told, Detroit has an enormous number,—greater than most of the big cities in the United States.

Summary

In the foregoing pages industrial relations at the Ford Plants have been treated from two angles,—the labor policy of the company, and the life of an average Ford workman. The source of Ford labor supply is characterized by an almost complete absence of racial prejudice. The employment of substandard men and the equal treatment given to women have also been pointed out as unique features in the Ford Plants. Adequate provision for labor adjustment is evinced by depriving the foreman of his power to discharge a man, the readiness with which transfers are granted, and the appointment of a negro to hear the complaints of the colored men. Minimum wage is $6 a day and the rate of increase 40 cents at a time. "Layoffs" are found to be rare, but vacation without pay is the practice at the Ford Plants. For training and education, two separate organizations are found,—the Henry Ford Trade School at Highland Park and the School Department at the Fordson Plant. Training for highly skilled men is the sole objective of these institutions; consequently, the educational benefits reach only a very small fraction of the Ford employees. Welfare work centers on cases of sickness and destitution; and its administration is entrusted to the Sociological Department. Toward unionism, an attitude of indifference characterizes the Ford employees and an attitude of non-recognition represents the policy of the management. Of the human element in industry, three phases,—

speed, repetition and personal contact between capital and labor,—have been discussed. Speed is found to be less than is usually reported by casual observers, the conveyor system being used in only a few departments. The effect of repetition is also found to be less deplorable than it is generally expected." Men get used to it through a process of "negative adaptation. Personal contact between the employer and the employee is almost nil, but the intimate relationship between foremen and workmen serves to bridge the gap between labor and management.

Four aspects of the life of an average Ford man have been briefly described. A workman spends more time in connection with his factory work than is generally believed. Opinions concur as to the upsetting effects of the frequent change of shifts. Due to the extensive use of automatic machines, men get tired not from physical exertion, but from psychological effects. The attitude of a man toward his work varies with the nature of the job. Though the relation between the company and its employees has on the whole, been very good, the recent fiveday-week scheme, without being accompanied by immediate wage adjustments, has introduced a serious cause for discontent. The majority of the Ford workers maintain a fairly high standard of living. At home, they are not entirely without modern comforts and conveniences. The average Ford worker lacks academic education; but the deficiency, is, to some extent, made up by a considerable amount of practical experience. Various types of recreational activities are found popular among the Ford men. Some of them are perfectly wholesome; others need redirection.

Dr. George Sellett, U. S. District Attorney, Arrives Back in Shanghai

Dr. George Sellett, U. S. District Attorney for China, arrived back in Shanghai September 11, from the United States after an absence of almost half a year. Dr. Sellett departed from Shanghai last March and proceeded to the United States to represent the Government in three important cases. At Tacoma, Washington he appeared for the Government in the case against Neill McKay Heath, former Shanghai attorney, who was convicted in connection with the Husar case. The appearance at Tacoma was made necessary because Heath had obtained his freedom on a writ of habeas corpus. Dr. Sellett appealed the matter to the Ninth Circuit at San Francisco, to which city he then proceeded. The Heath case is still undecided. The next case dealt with at San Francisco was that of Knight M. Crawley, who had appealed against his conviction by Judge Purdy for his connection with a fraudulent arms deal in which Elly Widler was involved. Crawley's appeal was denied. The case against Leonard G. Husar, former district attorney at Shanghai, next came up on appeal. Husar had been sentenced to two years imprisonment in connection with an opium case. Husar lost his appeal in San Francisco and then appealed to Washington. Dr, Sellett then proceeded to Washington. The U. S. Supreme Court has not yet given its decision in the matter. Dr. Sellett then spent a holiday in his home city, Witt, Illinois.

Dr. George Sellett

Dr. Sellett succeeded Leonard Husar as District Attorney of the U.S. Count for China December 1, 1925,

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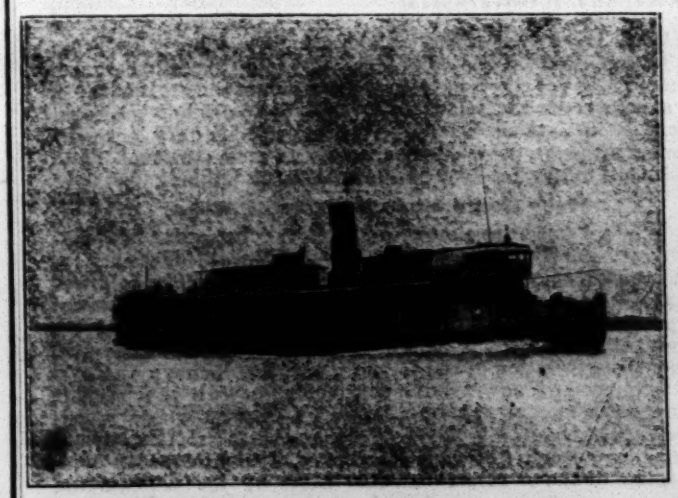

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The Contemplated Reorganization of the Government

BY J. B. P.

The rumors of a possible split in the ranks of the Kuomintang and the disruption of the Nationalist Government, which have been in circulation recently and many of which have been printed under disturbing headlines in the local foreign press, apparently have largely been dissipated as a result of numerous unofficial conferences which have been held in Shanghai recently. It is still too early to report definite results, but according to a statement circulated by the *Kuo Min* news agency on September 9, it has been decided to immediately carry out the decision of the recent Fifth Plenary Session of the Kuomintang Central Executive Committee and appoint the chairman of the various Government councils which were recommended by Dr. Sun Yat-sen.

Seven Government Councils

There are seven of these Councils which are to be directly under the Central Executive council and which are, in turn, to be above the actual cabinet ministers. These councils are, National Government Council, National Defence, Legislative, Judicial, Civil Service Examinations, Supervisory, and Military Training. The chief controversy has been over the chairmanship of these Councils, the most important of which is the Nationalist Government Council, the head of which will be the political head of the Government and corresponding to a President or Premier. According to the reports issued by the (official) *Kuo Min* news agency, Gen. Chiang Kai-shek will be the head of the Government Council while Hu Han-ming, former head of the Kwangtung Government and also former Minister of Foreign Affairs, will head the Legislative Council. Tan Yen-kai will head the Civil Service Examination Council; Dr. Wang Chung-hiu the Judicial Council and Dr. Tsai Yuan-pei the Supervisory Council. As yet there has been no announcement regarding the appointees to the headship of the two military councils, otherwise the National Defence Council and Military Training Council, although there have been reports that Marshal Feng Yu-hsiang might head the Military Defence Council.

Mr. Hu Han-ming, Who Has Just Returned from an Extensive Tour of Investigation Abroad and Who, According to Report is to Head the Legislative Committee in the Nationalist Government.

Many Conferences and Compromises

While it has been announced that the foregoing appointments are merely tentative, most of the political leaders believe that they will be confirmed shortly, which action will be followed by another general political conference in Nanking for the purpose of actually installing the chairmen and appointing the personnel of the various councils. Tnis may be followed by an actual reorganization of the Cabinet, but few believe there is any likelihood of any fundamental change with the possible exception of one or two ministries. The men whose names have been announced as the probable chairmen of the various councils are pretty well distributed over the political map with exception of the so-called extreme Lefts of the Kuomintang who now seem to be completely out in the cold. The main struggle in the various unofficial political conferences which have been held seems to have centered about the demands of the so-called Kwangsi faction for more power in the Government. For several weeks this under-current of political controversy has been responsible for the rumors of possible splits in the party, some going so far as to forecast an actual outbreak of warfare between the Kwangsi faction and the so-called Center faction led by Gen. Chiang Kai-shek. The Kwangsi faction, which includes such men as Gen. Li Chai-sum of Canton, Li Chung-jen of Hankow and Bei Tsung-chi of Hankow but now engaged in fighting Gen. Chang Chung-chang in northern Chihli, has been pressing for more voice in the Government and at the same time has been opposing equally as strenuously the return of the Left or allegedly radical Cantonese faction to power in the Government.

Combination of Right and Center

What apparently has happened is that a compromise has been reached between the Rights, otherwise the Kwangsi faction, and the Center or so-called Chekiang faction led by Gen. Chiang Kai-shek. The Kwangsi group for a considerable period has been accusing Gen. Chiang Kai-shek with an alliance with the Cantonese faction for the purpose of strengthening his power against the Kwangsi faction. Whether this is correct or not, no one outside of the innermost circles can say, but it now appears that the Left or Cantonese group has been forced completely out and following this, the Kwangsi faction has agreed to support Gen. Chiang Kai-shek as the political head of the Government. The appointment of Hu Han-ming, who has just returned from abroad, is considered significant in Chinese political circles owing to his supposed political affiliation with the Kwangsi faction. According to an interview with Hu Han-ming which appeared in the official *North-China Daily News* immediately following his return to China, Mr. Hu favors a "not too radical" policy in respect to the treaty situation and favors an energetic domestic reconstruction policy which would strengthen the country internally and thus facilitate the matter of treaty revision. If Mr. Hu is appointed chairman of the Legislative Council this will put him in control of the law-making branch of the Government. His presence at the various political conferences which have been held in Shanghai in the past three weeks is supposed to have had considerable to do with the compromises reached. The increased strength of the Kwangsi faction in the Government supposedly will lend further impetus to the drives against so-called communistic elements and also against the labor unions. It has been noticeable that most of the drives against so-called communistic elements and labor unions have taken place in territories under control of the Kwangsi faction in the Kuomintang. The recent controversy in Peiping over the organization of labor unions has been between the Kuomintang organization in that city which has been fostering the labor unions and Gen. Bei Tsung-chi, the Kwangsi general, who is opposed to the organization of labor-unions.

Marshal Feng Back to the Northwest

Despite reports that Marshal Feng Yu-hsiang may be appointed to a position in the Government, there are also reports that he may finally decide to remain in the Northwest and devote himself to reconstruction projects. The *Ta Chung* news agency, which is supposed to represent the Kuominchun interests, reported on Tuesday, September 11 that Feng is departing immediately for Shensi and Kansu and that he was likely to remain in those areas for a considerable time devoting his attention to reconstruction. It is reported that he has completely suppressed the rebellions and bandit challenges to his authority in Shensi and will now proceed to Kansu where trouble has developed with the Mohammedan population. Marshal Feng's attitude toward the political controversies in the Kuomintang is not known, but from a general standpoint he seems now to have become the leading exponent of Dr. Sun Yat-sen's program of social reform and uplift of the masses for he has not interfered unduly with the organization of labor unions in his territories so long as they do not get out of bounds and in addition to this he seems to have taken to heart Dr. Sun's doctrines dealing with the improvement of the status of the peasants as is indicated in his recent recommendations for the construction of "model" houses, organization of farmers' banks, and innumerable development enterprises including the organization of agricultural colleges, improvement of farming methods and innumerable reclamation projects for the purpose of providing employment for disbanded soldiers and improving the "welfare of the people."

Personnel of the Various Councils

The personnel of the supreme boards has also been decided upon, according to a translation appearing in *The Shanghai Times* on Thursday, Sept. 13: They are Hu Han-ming and Tai Chi-tao as Director and Assistant Director of the Legislative Board; Generals Chiang Kai-shek and Feng Yu-hsiang as Director and Assistant Director of the Administrative Board; Gen. Tan Yen-kai and Mr. Sun Fo as Director and Assistant Director of the Examination Board; Tsai Yuan-pei and Gen. Li Chung-jen as Director and Assistant Director of the Supervisory Board, and Dr. Wang Ching-hwei as Director of the Judicial Board. The office of the Assistant Director of the Judicial Board will be decided later.

Gen. Chiang Kai-shek will be concurrently Chairman of the Central Government Council. Chang Ching-chiang continues

to be Chairman of the National Commission of Construction with Li Shih-cheng as Vice-Chairman, who will head the Peking branch of the Commission. The present Central Military Council will be transformed into the new Ministry of War to head up the Army, Navy, Aviation, Commissory and Arsenal departments with Gen. Ho Yin-ching as Minister. Gen. Feng Yu-hsiang will act concurrently as chief Military Supervisor and Gen. Yen Hsi-san as chief adviser while Gen. Li Chi-sen will be appointed Chief of General staff office of the Central Government.

Immediate Introduction

These appointments have been decided upon by Hu Han-ming and other Nationalist leaders in Shanghai and will be officially announced soon after their arrival in Nanking. A general meeting of the Standing Committee of the Nationalist Central Executive Council will be held in Nanking to adopt the regulations governing the organization of the Central Government Council and to legalize the appointments in accordance with the decisions of the 5th plenary session which empowered the standing committee of the Central Executive Council to discuss and decide upon the details of the reorganization of the Central Government.

There has been a good deal of rumor in circulation of the changes of the personnel of the various Nationalist Government Ministries, especially with regard to the Ministry of Finance. The latest reports are to the effect that T. V. Soong will be transferred to the post of Mayor of Shanghai, with Y. M. Chien promoted to be Minister of Finance; Hsieh Tu-pei, the present Minister of the Interior, will be transferred to be Minister of Agriculture and Mining and the present Vice-Minister of the Interior will succeed Mr. Hsieh.

Meanwhile, Y. Pei-chi, the present Minister of Agriculture and Mining, will be made Minister of Education which is to replace the present National University Council. Wang Peh-chun and Dr. H. H. Kung will remain where they are and continue to be Ministers of Communications and of Commerce and Industry respectively.

Chaog Due Back this Week End

General Chiang Kai-shek is expected to return to Shanghai this week end from Ningpo, and will leave with Hu Han-ming and other Kuomintang leaders for the new capital. Dr. Tsai Yuan-pei, who resigned all of his positions in Nanking recently on account of failure to put through his bill at the 5th plenary session for better discipline of the students in China, has also agreed to return to Nanking, although he will not head the Educational phase of the Central Government any more.

Chang Chung-chang Evacuation

The *Kuo Min* news agency on Wednesday, September 12, reported that the Nationalist General Bei Tsung-chi had captured the towns of Kaiping and Tangshan from the remnant Chihli-Shantung troops under Generals Chang Chung-chang and Chu Yu-puh and that it was expected that both of these former Northern commanders would shortly flee from Chinwantao to Dairen where they will seek refuge within the Japanese leased territory in the Kwantung Peninsula. Last week the Nationalist Government ordered the arrest of Gen. Chang Chung-chang. The Chihli-Shantung troops under Chang Chung-chang and Chu Yu-puh are said to be demoralized and are expected to surrender shortly.

Conditions in Shantung

A recent traveler from Shantung states that much of the province is overrun with bandits and disbanded troops. The famine is apparently real in certain areas. It would appear that the real power in Shantung province is Feng Yu-hsiang, Chiang Kai-shek having, apparently given up all attempts at participating in the government of the province. Feng's Fourth Army is at Taian, and is inclined to exhibit an anti-foreign attitude. At Lintsing the American Mission Board's compound is stated to be occupied by troops of the Kuominchun. There is hardly any civil government in the province. Tsui Shih-chieh, the Special Commissioner for Foreign Affairs at Tsinan has not been in the city for a month. The result is that action through his office except for bare routine affairs is all but impossible. The taxes on the whole at present imposed are said to be greater than during Chang Chung-chang's regime. For the moment Feng Yu-hsiang is in Honan straightening out his line of communications across Shensi and the Gobi, after which he will probably be back in Taian. Despite the uncertainty of what the Japanese may do in the future, business at Tsinanfu is stated to be picking up. Tsinanfu is the center of a great peanut raising industry, enormous quantities of which are shipped to the United States through the port of Tsingtao, paying on the average a duty which works out at from sixty to eighty per cent. The peanut crop this year promises well, but the difficulty is transportation. However, there are prospects of a temporary repair of the Yellow River Bridge in the near future. On the whole, the Chinese are disinclined to work with the Japanese in the export line at present, and observers on the spot state that there is an excellent opportunity for Americans to increase their share of Shantung export business this year.

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Men and Events

Mrs. H. S. Janes of Shanghai departed last week for Chicago where she will visit friends.

G. M. Wood, of the Chinese American Publishing Co., arrived in Shanghai from the United States during the week.

Sociological experts claim China hasn't waked up yet. It has been having a terrible nightmare, then.—*Nashville Banner.*

The death occurred at London September 8 of Sir Edward Pearce, for many years chairman of the Shanghai Municipal Council.

Miss Ethel Berg, one of the teachers of the American school in Shanghai, has returned from a holiday spent at Tsingtao.

J. M. Howe, Clerk of the U. S. Court for China is spending a holiday at Tsingtao. L. T. Kenake, Assistant Clerk, is in charge in Mr. Howe's absence.

A garden party will he held by the Shanghai branch of the American Association of University Women at St. Mary's, Brennan Road, Tuesday, September 27.

T. L. Soong, brother of the Minister of Finance, during the week formally took over the position of Director of the Shanghai Land Office, in succession to G. Zay Wood.

B. H. Miles, factory representative of the William Oilomatic, Heating Corporation, Bloomington, Ill., arrived in Shanghai during the week. He is stopping at the Astor House.

The Rev. Edwin Marx, secretary of the China Mission of the United Christian Missionary Society, addressed the congregation at Community Church on Sunday, Sept. 9.

Joseph Rucker, formerly Far Eastern representative for the Paramount-Lasky Film Corporation, has been selected as one of the official photographers with the Bird South Pole Expedition.

A reception to the Potentate and Divan of Islam Temple, and representatives of the San Francisco Chamber of Commerce, was given at the American Club, Shanghai, Thursday, September 13.

Clarence E. Gauss, American Consul-General at Tientsin, departed last week for a holiday in the United States. M. R. Dorsey, lately at Tsingtao, will be in charge at Tientsin during Mr. Gauss' absence.

The Pan-Pacific Association of Shanghai will celebrate Balboa Day by a tiffin at the Union Club, Shanghai, Monday, September 17, at 12.30 p. m. Sir Frederick Whyte will speak on "The Discovery of the Pacific."

A reception to Mr. and Mrs Chester M. Tobin, Louis E. McLachlin and Miss McLachlin was announced to take place Friday afternoon, September 14 in the lounge of the Foreign Y.M.C.A., 38 Bubbling Well road, Shanghai.

Mary Lou Poggenborg, a trained kindergarten director, has opened up the Kelmscott Kindergarten at No 6. Kelmscott Gardens, Shanghai, under the patronage of Mrs. Milton D. Purdy, Mrs. C. H. Raven and Mrs. H. C. Hanscomb.

Mr. and Mrs. Claude C. Foulk are planning shortly to depart from Shanghai for their home in the United States. Mr. Foulk for the past six years has been auditor for the Chinese-American Bank of Commerce.

An article in *Business Conditions Weekly*, published at New York under the auspices of Alexander Hamilton Institute by Jeremiah Jenks, president of said institution, reviews the recent activities of the Japanese in Manchuria.

C. H. Lowe and J. W. Nipps have joined the industrial department of the National Committee of the Y. M. C. A.'s of China. Dr. Robert T. Huang has also joined the Committee as traveling secretary in the interests of citizenship training.

The death occurred in Shanghai September 8 of Mrs. R. W. Davis, wife of the general manager of the *North China Daily News.* As Miss Gretchen Fitkin she was formerly a member of the staff of the paper. She was a native of Iowa.

A farewell dinner was given to A. Q. Adamson, at the American Club September 8 by the Scottish Rite and three Masonic Bodies in Shanghai. Mr. Adamson is proceeding to the United States *via* Europe and will probably not return.

Vincent Sheean, who was in China last year as the representative of the *North-American Newspaper Alliance*, but who has recently been writing for *Asia Magazine*, has returned to the United States and has joined the Democratic Campaign publicity department.

Jacques Meyrier, for some time Acting French Consul-General at Shanghai, has been appointed to succeed Emile Saussine as French Consul at Tientsin. The new Consul at Shanghai will be M. Koehlin who is scheduled to arrive here from France in November.

Horace Felton, formerly connected with the *Shanghai Times* and *North-China Daily News*, is now advertising manager of the *Bangkok Daily Mail*, a newspaper owned by the King of Siam. Mr. and Mrs. Felton departed from Shanghai about a year ago and for a time resided in Manila.

The Rev. Herman Swenson and Mrs. Swenson, who are connected with the China Inland Mission at Kuyuan, Kansuh, who have been in America for some time are returning to China about October 1. Their headquarters will be at the China Inland Mission, 9 Woosung road, Shanghai, pending their return to their station.

The Gunboat *Panay*, fifth of the gunboats being built by the Kiangnan Dock and Shipyard for the American Navy, has successfully completed her acceptance trials. Performance was satisfactory in every respect. The boat exceeded her designed full speed by two and three-quarter knots. She was scheduled to be placed in commission about September 10, and assigned to duty with theYangtse Patrol.

The Democrats in the Twelfth District of St. Louis, Mo., have nominated Joseph L. Lemore, a Negro, as their candidate for Congress. The Twelfth District has been represented in Congress for many years by the Hon. L. C. Dyer, who is a Republican. Mr. Dyer is a candidate for re-election this fall. This is the first time that the Negroes in St. Louis have ever proposed a man of their own color as a candidate for Congress.

Chinese Girl Works on Newspaper in America

(From Editor and Publisher)

The local staff of the *Syracuse* (N. Y.) *Herald* now includes a Chinese girl reporter.

She is Miss Vaung Tsien Bang, born in Shanghai and an outstanding example of the "New Woman" in China. Studying at Bryn Mawr, she is spending a year in practical newspaper work for the purpose of getting experience that will aid her in establishing an English newspaper in Shanghai.

"What China needs is to be interpreted rightly to foreigners," she says. "The best way to do this is through a Chinese newspaper published in the English language. This, as I see it, is my life work."

The newspaper field is one that has not been invaded by women in China, Miss Bang says, but she sees no reason why it should not be.

"It is the kind of work women ought to do well," she declares. "In China, trained and educated women are so scarce that the country teems with opportunity for them."

Japanese News Reports on Chinese Situation

The following news reports are summaries of news messages dealing with the Chinese political situation and Japanese activities in China which are distributed to the Chinese and foreign press in China by the Japanese semi-official Toho News Service:

Tokyo, September 6.—Various party representatives decide to leave September 25 on a tour of China.

Peiping, September 6.—General Tang Yu-lin, tutun of Jehol, returns to Changteh and mobilizes troops in view of Nationalist determination to settle Jehol affair by force.

Peiping, Sept. 6.—General Li Pin-shen continues attacks on Chihli-Shantung troops in Fengtai-Lutai sector.

Nanking, September 6.—Dr. C. T. Wang makes statement that China was waiting for a new treaty to be contracted with Japan, "because we see that Japan is now in earnest for the conclusion of the new treaty."

Mukden, September 6.—At a meeting of military leaders called by Chang Hsueh-liang it was decided to retire Chang Chung-chang and to pay an allowance to the disbanded Chihli-Shantung troops.

Tokyo, Sept. 7.—Consul-general Yada of Shanghai leaves for Osaka to confer with leading business men.

Peiping, Sept. 7.—Negotiations for compromise between Chang Chung-chang and Pei Tsung-hsi break down.

Tientsin, Sept. 7.—British residents in Peitaiho district ordered to remove owing to the military operations by Pei Tsung-hsi against Chang Chung-chang.

Osaka, Sept. 8.—Consul-general Yada in statement says he intends to protest further against boycott by Chinese upon his return to Shanghai.

Tientsin, September 8.—Japanese, British and French officers will accompany Nationalist troops in order to cooperate with Pei Tsung-hsi for protection of foreign residents in Tientsin area.

Peiping, September 8.—Peiping District party formulates conditions for surrender of Communists.

Hongkong, Sept. 8.—Prices at Canton rise greatly as result of anti-Japanese boycott.

Hongkong, Sept. 8.—Canton authorities utilizing youth of fifteen years of age as spy against Communists.

Mukden, September 8.—Soviet Vice-Consul previously arrested at Kuangchentze and later taken to Harbin, is released at latter city, and takes up residence here at Soviet Consulate.

Peiping, September 10.—Gen. Pei Tsung-hsi removes general headquarters to Chungliangsheng and issues orders for general attack at once on Chihli-Shantung troops. Left wing Nationalist army under General Li captures Feng-shun.

Tsingtao, September 10.—As result of recent rearrangement of Japanese contingents in China, Japanese military strength in Shantung at present is 13,000. Now with presence of Japanese troops, both Chinese and Japanese residents in Shantung, immune from undue taxes formerly imposed on them by Chinese military, are enjoying prosperity.

Nanking, September 10.—General Li Lien-chun, member of Central Executive Committee, in interview states that the Three Eastern provinces have already manifested their loyalty to the Nationalist government, and the matter of whether they fly the Nationalist flag will be left alone until an opportunity offers itself.

Mukden, September 9.—Military conference is held after General Ho Feng-lin's return from Kaping. Decision arrived at by Fengtien authorities to modify the policy of the Fengtien faction towards the Chihli-Shantung troops, and they will probably be allowed to withdraw back as far as Luanho so as to mitigate the situation.

Tientsin, September 10.—As result of interviews with Lieut-Gen. Arai and General Pei Tsung-hsi, Japan will observe strict neutrality in the Nationalist campaign against the Chihli-Shantung troops and the Nationalists will do their utmost to protect Japanese lives and property.

Tientsin, September 10.—Japanese residents at Tangshan' Kaiping and vicinity are evacuating.

Peiping, September 10.—Japanese, British and French legations dispatch a vigorous warning to the Nanking Government concerning maladministration of the Salt Gabelle.

Tokyo, September 11.—Conference of British, American and Japanese steamship representatives and South Manchuria railway to be held to arrange for through booking arrangements.

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From the Chinese Press

(News items pertaining to Chinese politics and general affairs appearing under this heading, are taken chiefly from the daily reports of the Kuo Wen (independent), Kuo Min (Nanking official), Ta Chung (Kuominchun) and Toho (Japanese) news agencies, and from translations of articles and dispatches appearing in the local Chinese press).

Sunday and Monday, September 2 and 3.—Hopei authorities request Government Council to withdraw a portion of armies stationed there, as such large numbers are not necessary for maintaining peace and they constitute a constant financial drain.—Office of Three Eastern Provinces to be established shortly in Nanking, with Hu Yeh-yu as director.—Shantung Provincial government urges suppression of remnant Chihli-Shantung troops.—General Pai Tsung-hsi proceeds from Peiping to Tientsin to direct operations against Chihli-Shantung troops—Second Group Army at Kaifeng being reduced to 12 divisions by Feng Yu-hsiang.—Nationalist government promulgates regulations for organization of Central Financial Reorganization Committee.—Commander-in-Chief Chiang Kai-shek issues statement giving his views regarding Nationalist government and Kuomintang—Hopei Provincial Secretary arrives in Peiping from Tientsin to arrange for removal of provincial government to Peiping.

Tuesday, September 4.—Gen. Yen Hsi-shan telegraphs to Chiang Kai-shek that he is personally supervising readjustment of administration of Charhar and Suiyuan provinces.—National Overseas Affairs Committee inaugurated at Nanking.--Chinwai river to be dredged by beggars and unemployed in Nanking.--Philippine Radio Corporation's activities in China objected to by National Reconstruction Committee; Commissioner of Foreign Affairs at Shanghai instructed to lodge protest with American Consul-general.—Wunsz King, Commissioner of Foreign Affairs, asks Consular Body to cooperate in suppressing Communists. Wu-han division of Political Council plans for establishing model autonomous districts in Hunan and Hupeh provinces.—Committee shortly to be appointed at Nanking to select suitable persons to teach Party principles.—Standing Committee of C. E. C. holds 164th meeting.—Remnant Chihli-Shantung troops retreating towards Kangshan and Taiping: Chang Hsueh-liang withdraws 18,000 Fengtien troops inside Great Wall.—Central Executive Committee tentatively selects Chiang Kai-shek as chairman of Executive Council; Tan Yen-kai, Examination Council; Wang Ching-wei, Judicial Council; Hu Han-min, Legislative Council; Chang Ching-kiang, Supervisory Council.—10th National Students Congress in session at Nanking.

Wednesday, September 5—Ju Yu-li sworn in as Vice-Chairman of Auditing Council at Nanking.—Chinese protest against establishment of Japanese police stations at Tangku.—Chang Chung-chang's troops, retreating, loot villages along Peiping-Mukden railway.—Program for expansion of Chinese navy formulated by Chang Kai-shek and Admiral Yang Shu-chwang, in conference.—Ministry of Interior, formulates censorship program for cinema pictures.—Announcement made at Nanking of forthcoming floating of Short-term Rehabilitation Loan for $40,000,000, in two equal installments; kerosene and gasoline taxes to be set aside for amortization.—Ministry of Finance sends Nanking Municipality $1,000,000 in treasury bonds for construction of Chung-Shan Memorial highway.—90th meeting of Government Council held at Nanking.—Y. L. Tong, Yang Chuan, Chang Hsing-haim, Ping Ping, Yu Ting-chia, Yen Hsiung-chien, Li Shu-hua, Seto Lai-tong and Mrs. Hu Chu Pin-hsia appointed to the Board of Trustees of Tsinghua College at Peiping.

Thursday, September 6.—Chinese Ratepayers Association again protests against greyhound racing establishments in Shanghai.—Commander-in-chief Chiang Kai-shek gives reception dinner in Shanghai to leading Party and government officials.—Chuchow-Ping railway to be taken over by Canton-Hankow railway administration.—Chinese Ratepayers Association taking measures to secure satisfaction from Shanghai Municipal Council for raid on Intelligence and Publicity office of Ministry of Foreign Affairs.—Committee for Severance of Economic Relations with Japan decides to deal drastically with shipments of Japanese goods.—*Kuo Min* news agency authorized to state that recent report that American Minister MacMurray has refused to serve on the new board of trustees of Tsinghua College is innaccurate.—Woosung Gendarmerie office to be taken over by General Hsiung Shia-hui Sept. 16—Strict precautions being taken to prevent remnant Chihli-Shantung troops retreating into Manchuria.—Kwangtung Provincial government announces substantial reduction in expenses following disbandment of troops.—Decision arrived at 153d meeting of Central Political Council that China will sign the Kellogg Anti-war Pact.—Chinese in San Francisco enthusiastically buying short-term rehabilitation loan bonds.--Chieng Tung, Sinkiang representative, at Nanking urges shaping of special policy to meet peculiar conditions in that area.

Friday, September 7.—Foreign residents in Chinese Municipal area of Shanghai asked to cooperate in taking of census.—Law Codification Bureau announces main lines of provisional constitution now being drawn up. Hupeh Provincial government installing long distance telephone service.—National Students Congress at Nanking asks Central Executive Committee to rescind recent order interdicting Youth Movement.—At 165th meeting of standing committee of C. E. C. decision arrived at to establish Party newspapers at Peiping, Hankow and Canton.—12th army of Eastern Expeditionary forces cross Shaliuho river and occupy Fengjun district in Northeastern Hopei—Chekiang Provincial Government formulates plans for using disbanded troops on constructing roads and bridges and improving inland river communications.—Feng Yu-hsiang personally delivering lectures to government officials at Kaifeng explaining the necessity of awakening the masses of China.

Saturday, September 8—Honan province to use all money derived from sale of public properties in establishing elementary schools.—Admiral Yang proceeding from Shanghai to Foochow in connection with disbandment and reorganization of land forces of Nationalist Navy stationed there.—General Yen Hsi-shan to organize military court to try looters of Manchu tombs.—Conference at Taiyuan is to consider outstanding problems of Shanghai, Charhar and Suiyuan.—At traffic conference to be held at Nanking October 15 under auspices of Minister of Communications, freight traffic regulations are to be determined.—Short wave radio station to be erected at Tatung in northern Shansi.—Government Council holds 92d meeting at Nanking.—Chihli-Shantung troops digging trenches between Hsifengko and Chinwangtao; Pei Tsung-chi determined to exterminate them, with support from Chang Hsueh-liang.—Pei Tsung-chi, in pursuit of Chihli-Shantung forces, proceeding along Peiping-Mukden railway in the direction of Tangshan.

Sunday and Monday, September 9 and 10.—General Relief Committee meets at Nanking and allocates among various provinces the sum of $300,000 contributed to the Overseas Chinese Patriotic Contributions Fund.—Information from Nanking indicates that Hu Han-min is to be chairman of the Legislative Council.—General Liu Chin appointed

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Tientsin, September 11.—Preparatory to taking steps for flight, General Chang Tsung-chang orders the Chinese General Chamber of Commerce at Kaiping to raise $200,000, previously having forced the Chamber at Tangshan to contribute $100,000 to military funds.

Tsinan, September 11.—Peace Preservation Association and Police jointly proclaim martial law in view of activity of bandits in and around the city.

Peking, September 11.—Since returning from Taiyuan, Yen Hsi-shan has been pursuing a policy of army reorganization.

Tientsin, September 11.—Chihli-Shantung troops, routed at Kaiping last night, first tried to utilize the positions at Kuyeh prepared by Fengtien troops but in vain and Nationalists capture Kuyeh this morning. Luanchow, surrounded on three sides by Nationalist forces, is momentarily expected to fall.

Tokyo, September 12.—Mr. Yamamoto, president of South Manchuria Railway, leaves on return to Dairen, after discussing Manchurian policy of Japanese government with Cabinet Ministers.

Tientsin, September 12.—General Fang Yung-chang, Chang Tsung-chang's subordinate, who previously had fled from Chefoo to Chinwangtao, has departed for Mukden.

Peiping, September 12.—Chihli-Shantung troops demoralized and there seems to be no alternative for them but to flee beyond Shanhaikwan or into Jehol by way of Hsinfengkow.

Peiping, September 12.—Chinwangtao dispatches report that Chinese refugees crowd the railway station in an attempt to take refuge elswehere. Opinion prevails that Chang Tsung-chang will soon flee.

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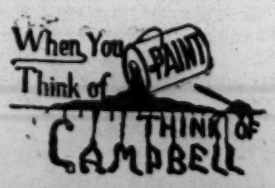
Bandit Suppression Commissioner in Hsuchow and Haichow. —Government Council to consider at meeting September 11 Nationalist reply to America's invitation to have China adhere to Kellogg Peace Pact.—Foreigners at Peitaiho evacuating in view of serious military situation.—Pei Tsung-hsi dispatches telegram to Finance Minister Soong at Shanghai requesting officials from Central Treasury to send officials to take over financial organs in Northeastern Hopei. —Armies in Hunan and Hupeh gradually returning rolling stock to Peiping-Hankow railway.—Estates of more than 200 "enemy" Northern officials at Peiping being examined with a view to confiscation.—Preliminary survey being made for highway between Shanghai and Nanking.—Message from Taiyuan states that debt of $30,000,000 incurred in campaign against Fengtien army is to be paid in installments from salary reductions of officials and drastic administrative and military economies.—General Sun, Chairman of Shantung Provincial Government, arrives in Nanking.—Martial law enforced at Woosung because of Communist plots.—As part of regulations to suppress piracy passengers between Foochow and Shanghai must produce shop guarantees before purchasing tickets.—Pei Tsung-chi's campaign against Chihli-Shantung troops proceeds in earnest, Shaliuho being used as base for operations against Tangshan.—General Chen Taio-yen, chairman of Anhwei Provincial Government, is entertained at Anking by Provincial Government officials.—Police of International Settlement of Shanghai return to Publicity Bureau the Tsinan affair pamphlets seized by the Police August 28.—Feng Yu-hsiang expects to leave Kaifeng shortly on tour of inspection in Shensi and Kansu.

Tuesday, September 11.—Shanghai General Chamber of Commerce urges Government Council to take measures for early declaration of tariff autonomy and appointment of Chinese to posts of Inspector General and Commissioners of Customs.--National Opium Suppression Commission petitions League of Nations for cooperation with China in suppressing opium evil.—Disbandment of troops at Yengchow and Taiyuan continues.—Government Council issues order for arrest of Chang Chung-chang, who is charged to have caused great suffering to the people with his Chihli-Shantung troops, and "instead of awakening to his iniquity has now sought to restore himself to power."—Hupeh province starts installing long distance telephone between Hankow and Ichang and Wuchang and Yochow.—Military Council orders evacuation of all foreign property at Nanking whether mission, public or private.—Ministry of Agriculture and Mining at Nanking formulates regulations.—Advices from Nanking indicate that Dr. Alfred Sze will be instructed to sign the Kellogg Treaty on behalf of the Nationalist Government.—Nationalist forces occupy Tongshan and are advancing towards Kaping. Railway between Lutai and Tientsin restored. Aviation Corps proceeds to assist Pei Tsung-chi in operations against Chang Chung-chang's troops. --Opium suppression law ordered forwarded to C.P.C. at 116th meeting of Standing Committee of the C. E. C.—Foreigners in Chinese area in Northern district of Shanghai having removed number plates placed by Bureau of Public Utilities, Consular Body is asked to instruct their nationals to refrain from doing so.—Reporting to the Government Council by telegram, just before leaving Tientsin for the front General Pei Tsung-chi explains that he informed foreign diplomats that all foreigners in area under his control would be protected, also that Japanese denied hvaing given any assistance to Chang Chung-chang.

Carrol Lunt Appointed U. S. Chamber Secretary in Shanghai

Carrol Lunt, editor of *The China Digest* and compiler of the foreign "Who's Who in China", has been appointed Secretary of the American Chamber of Commerce in Shanghai, in succession to the late Warren Manley who died August 13. In the interim the duties of the office had been attended to by V.G. Lyman.



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New Books of Interest in the Far East

Whither China?

Whither China? An Economic Interpretation of Recent Events in the Far East. By Scott Nearing. International Publishers, New York 1927.

By Harry Paxton Howard

Scott Nearing's recent book "Whither China?" is a most interesting and stimulating volume, and one which is worthy of special attention. Is China really working out, or going to work out in the near future, a new social form, "under the spiritual leadership of the Union of Socialist Soviet Republics but with the material resources and the business capacity of the Chinese as the main driving power, "as Mr. Nearing thinks? I venture to doubt it.

First of all, however, it is necessary to find out where China is at present. Until we get our proper bearings in a historical sense, it is not only hopeless but ludicrous to attempt to predict whither we are bound. And this is something upon which Mr. Nearing is far from clear. His few months sojourn in China last year, and his miscellaneous reading on the country's condition and problems, were apparently not sufficient to give him a clear idea of things here.

Historical Review

Mr. Nearing's summary of Chinese history during the nineteenth century, and the stages of foreign Imperial encroachment, is very well done, particularly with regard to its economic aspects, which Mr. Nearing rightly regards as fundamental. It is by no means clear from this book, however, that the struggle is one between two imperial forces in China,—the Manchu Empire and the European empires led by Britain. Mr. Nearing continually refers to the "Chinese Government" as though it were a government by native Chinese. He refers to the annexation of Burma, a foreign country which had been forced by the Manchu Imperialists to pay tribute at one time, as a "seizure of Chinese territory," deals with Korea in much the same way, and refers to Siam as "a Chinese dependency." The Chinese gentry "were satisfied with the monarchy," and even today "would be willing to see it restored."

As regards internal conditions, there are erroneous statements such as the one that the Chinese had "succeeded in shaking off slavery," that "there was never any active religious persecution carried on in China," but these remarks, though inaccurate, are not so far off as to seriously discredit the book in general. We find an interesting economic interpretation of the Chinese revolution of 1911, in which there is considerable truth but a complete ignoring of the extent to which this was a native upheaval inspired by nationalist feeling against the foreign (Manchu) rulers.

This early development Mr. Nearing refers to as the first cycle of revolution (1894 to 1912) and describes as "a colonial revolt against imperial oppression, aimed at political and economic independence of the exploited colony from the exploiting empires," and achieving "the overthrow of the feudal Manchu regime and the establishment, at least in name, of a democratic republic." Business men, he tells us, had financed this.

The Second Cycle

The second stage of revolution, from 1913 to 1927, was "a colonial revolt against the imperial exploitation of China, plus a mass movement that was aimed at the whole system of exploitation in China, whether carried on by the imperialists or by the Chinese." Mr. Nearing blunders into saying that in 1915 "an emperor ruled once more in China, and that the war period resulted in industrialization, "pressure of rapidly rising prices" (this general war phenomenon was strikingly absent in China), and "the beginnings of a mass movement in China that has not been paralleled anywhere in the world since the Russian Revolution of 1917."

Mr. Nearing speaks about the "terrible hardships imposed upon Chinese villagers by the gradual industrialization of China," though he fails to tell us what these hardships are. In fact, the worst hardships of the Chinese village are imposed by intermittent drought or flood and continual over-population *relieved* to some slight extent by industrialization, but Mr. Nearing is apparently quite unaware of this.

And he confuses the Red Spears, the independent farmer "minute-men" of Honan and elsewhere in the North, with the Peasants' Unions, the class movement of the poorer peasants in the south.

The Labor Movement

"The labor movement was the driving force in China from 1922 to 1927," says Mr. Nearing. He describes the first great strike at Hongkong, and gives a splendid picture of this outpost of Empire. In general, Mr. Nearing's handling of the labor movement is good,—based mainly upon Colonel Malone's excellent study, "New China." But there is the extraordinary implication that "imperialists in China treat the Chinese workers" worse than do the Chinese well-to-do classes and in his description of "the ruthless exploitation of resources and of workers" by "victorious imperialism," there is no hint that wages are lower, hours longer, exploitation and authority more brutal, and in general conditions more unspeakably bad under most Chinese than under most foreign employers.

The northern expedition of 1926, with the Nationalist army and the revolutionary workers and peasants working together, is well described. but then we are told that in January 1927 "the Hankow masses overran and *looted* the British concession. (A new contribution to history.) The establishment of the Nanking Government and the suppression of the labor movement is well covered, though the counter-revolution in Hunan, in which the militarists and propertied classes asserted themselves over the Communistic peasant unions, is hardly touched upon, Mr. Nearing concludes:

"Thus the second cycle of the Chinese Revolution ended with a reign of white terror, and the formation of the Nanking Government in September, 1927. At the end of the first cycle the revolutionists were driven under cover by a feudal warlord. At the end of the second cyle the revolutionists were driven under cover by a general and a government representing the will of the Shanghai General Chamber of Commerce."

And when Mr. Nearing starts describing the third cycle one might cynically assume that the revolution is going down for the third time.

The Third Cycle

In the present struggle we can see *inter alia*, according to Mr. Nearing, steady dissolution of old Chinese social institutions; . . . . . local rule in North and Central China by military adventurers ambitious for a career, and representing the interests of the gentry or of the Chinese business elements; and so on.

These elements are enough to show Mr. Nearing's misunderstanding of the situation. The "steady dissolution" he speaks of is moving very slowly indeed throughout the country as a whole, and as for local military adventurers representing the interests of gentry or Chinese business elements, Chinese business men who have been suffering from the depredations of these local Bonapartes would consider this a joke in very bad taste. Here is "economic interpretation" which is on the wrong track altogether. When the militarists come to represent and serve the interests of the propertied civil elements of China, then there will be some prospect of internal peace and orderly development, but there is as yet no assurance of any thing of the kind.

Anti-Foreignism

And just as Mr. Nearing fails to understand what an artificial and foreign-inspired thing this "revolutionary mass movement" was, just so he fails to understand the nature of anti-foreignism here. "The imperialists have committed one predatory act after another, until opposition and resentment reached such a pitch that in the spring of 1927 citizens of the imperial nations were not safe on the streets of the principal Chinese cities." Mr. Nearing obviously does not know that the citizens, of unprivileged nations here (Russians, Germans, etc.) are even more unsafe, and he apparently cannot see in the anti-foreignism of the Chinese people the same feeling that distinguishes the Ku Klux Klan and other barbarians from civilized people. That the exploitation of this feeling has been a powerful lever in the unification of China there is no doubt, and if it is finally successful in realizing this unification and socuring national sovereignty it will have justified itself. But to speak of it as a simple and spontaneous opposition to imperial encroachment is simply nonsense. It is where foreigners are rarest, where "imperial encroachment" is least known, that it is most dangerous for "citizens of the imperial nations." It is where foreigners and foreign encroachment are most common and best known that there is most tolerance; it is here that people learn that foreigners are much the same flesh and blood as themselves, and not the strange malevolent demons of ancient lore and modern propaganda. Actual violence against foreigners has invariably been from peasant barbarians from the interior (usually in soldier's uniform), not from the city workers and others most in contact with foreigners.

Russian Policy

Mr. Nearing finds, correctly, Russian policy to have been very influential in Chinese and Asiatic affairs in the past decade, but tends to exaggerate its influence. In the two years from 1919 to 1921 Turkey became "self-governing. . . defying the Allies; Persia was a free nation; Afghanistan was independent. . . The change was revolutionary. It was brought about almost exclusively by Soviet diplomacy and propaganda." The Soviet Union now, by federation and by treaty

agreement, has "established itself in a commanding position over the richest and most extensive land unit in the world.... western boundary the Baltic; ... eastern, the Pacific."

And besides this Communist megalomania, Mr. Nearing gives some personal opinions of his as if they were historical facts: "Half of the geographic area of .... Europe was permanently lost to capitalism (The Soviet Union)," Upon this many of Mr. Nearing's own Communist colleagues would violently disagree with him. Lenin, for example, regarded the new economic system of Soviet Russia as State Capitalism. And its "permanence" is purely hypothetical.

Mr. Nearing, while most emphatic with regard to Russia's just and equalitarian attitude towards China, omits mention of her establishment of virtual control over Outer Mongolia during the past decade. In the same way he has no thought or suspicion of Imperialism with regard to the Soviet and the Chinese Eastern Railway, "built by Tsarist diplomats for the purpose of facilitating the exploitation of China." Now Mr. Nearing knows better than most people that railways are not built by diplomats. The Chinese Eastern Railway was built by Chinese labor, and if labor is entitled to all it produces where does Russia come in? Though to a believer in the Marxian theory of value the point is of no importance, it was built with French capital. From the point of view of national self-interest, Russia is certainly not to be criticized for holding on to at least a half-share in the railway. But what moral right has the "Labor Republic" to a half share in a railway built by foreign labor in a foreign country?—to say nothing, of course, of the foreign capital involved.

"Heavily in Debt"

Mr. Nearing tells us that with a foreign debt of about 800 million dollars gold, China is "a poor nation, heavily in debt." As a matter of fact, this figure shows China to be in better financial condition than almost any good-sized nation on the face of the earth. This is a very low debt indeed, and Mr. Nearing in his review elsewhere in the book of the various wealthy nations, shows that China has risen until now she ranks among the third class wealth nations, above many states much more heavily in debt.

And if Mr. Nearing knew China better we would think he was being intentionally funny when he says that "the Chinese have a very efficient postal system." And with equal naivete he tells us that some of the best units of the modern Chinese army "are comparable to the armies that were engaged in the world war." Which World War? Against Napoleon?

Interesting Volume

But with all its faults and errors, the extraordinary myopia in some ways of this very able economist, the insufficient data upon which the author worked and the resultant blunders, Mr. Nearing's book is a stimulating one. I have pointed out what appear to me to be the most outstanding errors, and outside of them the book is good. It is an attempt which should be followed up. A real economic interpretation of the Chinese revolution would be of great value at the present time, and might give us some idea as to whither China is really bound.

Changes in "Unchanging" Asia

Asia Reborn. by Marguerite Harrison. Harper and Brothers, New York and London, 1928. 379 pages. 2 maps.

The blurb says this is "the first book to show the striking changes in the continent of Asia which have taken place since the war." In the preface the author says, "It has not been easy to condense all that has happened in Asia since the Armistice into a single volume, particularly as it was essential to preface the account with a short historical survey. Many important happenings have necessarily been touched upon briefly and there are many unavoidable Commissions. But I have tried to throw into relief the important facts which may serve as a background for the appraisement of daily news dispatches from Asiatic countries, by the busy every-day individual who has no time or inclination for a profound study of history or political economy."

After reading this book we feel that Marguerite Harrison has made a mistake in attempting so much. To make one's self an authority on one country, or on a few allied ones, is considerable in this age of the world, but to set out to encompass all of Asia is more than should be attempted in one volume of this kind. If the author had edited chapters by various authorities on the separate countries a valuable book might have been produced. Or if she had obtained criticisms for her manuscript from those who know thoroughly each of the lands of which she has written, there would have been a chance for her book to survive as a constructive effort. As it is, we can only feel irritation at the inaccuracies apparent to the China resident. And if these are so patent to our eyes, we are not certain but what other portions of the book may be as lacking in fact as are statements about China.

As far as plan goes the book is adequate enough, though some might take exception to what the author calls the "Far

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Eastern-Triangle Japan, Korea, China," and think it better to have used the countries "Japan, Russia, China" to fulfil the triangle's meaning. But in the text we soon come across blunders that make residents in the East gasp. On page 22 we find, "Vigorous bombardments of Chinese ports, which the Chinese were utterly unable to counter because of their lack of modern military equipment, finally forced the government to sign the treaty of Nanking which opened China to foreign trade through five sea-ports; recognized the equal rights of foreigners with natives in China; ceded the island of Hongkong at the mouth of the Yangtze-Kiang to the British." Only 850 miles off here as to geography!

On page 316 we read, "Mountainous Kiangsu on the confines of Tibet had no points of contact politically, geographically, or economically, with the industrialized provinces of the lower Yangtze or the broad plains of Manchuria." And again she refers to the "terrible earthquake in Kiangsu, one of the western provinces, in which thousands of lives were lost." Of course, to mix the names of two Chinese provinces is not much to one who may consider all Chinese names greatly alike, but to confuse the province in which we live here on the coast with Kansu, some thousand miles or more to the west, is inexcusable in one who wishes to give us an authoritative book on Asia.

Missionaries will be interested in some of the statements regarding their work. Writing concerning China about 1900 she remarks that "everywhere missionaries were encouraged and supported by their governments as adjuncts to commercial penetration". Surely, Marguerite Harrison cannot have heard much talk of the foreign communities in China within the past few years, when the missionaries seem to have come in for a great deal of blame for everything in China not to the liking of the 'die-hard' of the business groups. There has been very little talk in Shanghai clubs, for example, as to the missionary as an "adjunct to commercial penetration." Even in 1900 one heard none of this sentiment!

There is no need to bring forth other items from this book to show its scope or discrepancies. The author has a decided anti-British and anti-Japanese bias. Russia is considered as coming into her own in her entry into world politics as an Asiatic power. "Asia Reborn" contains much that is instructive, and its writing has entailed hard work and much travel. It is only unfortunate that one cannot regard it as the authority that a book having its pretensions should be. G.B.S.

American Gold Bond Quotations

Name of Security	Coupon Rate %	Date of Maturity	Sale Price Aug. 31rd	Sale Price Sept. 6st	Approx. Yield to Maturity Sept. 6st
Czecho Slovak Govt. Sinking Fund Loan...	8	Oct. 1, 1952	109 9/32	110	7.12
Republic Chile S.F. Loan	7	Nov. 1, 1942	102 1/4	102 1/4	6.75
Argentine Government.. Ext. S.F. Loan.....	6	May. 1, 1960	99 1/2	99 3/4	6.02
Kingdom of Italy, Ext. S. F. Loan.....	7	Dec. 1, 1951	97 1/2	97 7/8	7.19
Austrian S. F. G. Loan..	7	June 1, 1943	102 1/8	103 5/8	6.62
Japanese Govt. (£).....	5	1907/1947	87	87 1/4	6.12
German Govt. S. F. Loan	7	Oct. 15, 1949	106 1/2	106 1/2	6.43
Deutsche Renten Bank 1st Lien Farm Loan	7	Sept. 1, 1950	100 1/2	100	7.00
Saxon Public Works Inc. 1st Mtge. S. F. Loan ..	7	Feb. 1, 1945	100 1/2	100 1/2	6.95
German G.E.C.S.F. Loan	7	Jan. 15, 1945	103 7/8	103 7/8	6.61
Finnish Guaranteed Municipalities S. F. Loan...	6½	Oct. 1, 1954	97 1/4	97 3/4	6.68
Chicago Rapid Transit 1st. & Refunding Mtge.	6½	July 1, 1944	98	98	6.71
Northern Ohio Power & Light Co. Debentures.	6½	Jan. 1, 1941	98	98	6.74
Cuban Domin. Sugar Co. 1st Lien S. F. Loan...	7½	Nov. 1, 1944	99	99	7.61
Camaguey Sugar Co. 1st. Mtge. S. F. Loan.....	7	Oct. 15, 1942	101	100	7.00
Victor Talking Machine Company Cum, Prior	7	Pfd. Stock	107	109	6.42
Willys Overland Co.....	7	Pfd. Stock	99	99	7.07
The National City Bank of New York.....	20	Stock	815	800	2.50
Republic of Peru Ext. Secured S. F. Loan...	7½	Sept. 1, 1956	104 1/2	106	7.01
Hershey Chocolate Corp.	$4	Pfd. Stock	77 1/4	77 1/2	5.16
Belgian National Railway Co. Participating Pfd. Stock (American Shares) Market to Yield.....					6.86
General Mills Inc.....	6	Cum. Pfd. Stock	100	100	6.00
Grasselli Chemical Co...		Common Stock	55 1/4	60 3/4	—
Dodge Brothers Inc....$7		Pfd. Stock	100	103 1/2	6.76
Cannon Mills Co....		Common Stock		48	—
Central Bank for Agriculture.....	7%	Sept. 1, 1942		92 1/2	7.25

The National City Company, The National City Bank Building, No. 2A Kiukiang Roa., Shanghai, China.

Shanghai Exchange for Week Ending Wednesday, September 12, 1928

By Maitland, Fearon and Brand

Exchange:—The price of Bar Silver in London is quoted to-day at 26 9/16d. per oz. for spot delivery and 26 11/16d. for forward, as against 26 11/16d. and 26 7/8d. respectively last week.

The exchange market locally has been very inactive, and merchants have shown little inclination to either buy or sell. The undertone is not too good and a further sag in the rates is deemed to be likely.

At the close to-day an uncertain feeling prevailed, and the following rates for the purchase of T/T were available., T/T on London 2/7 5/8d., on New York 63 15/16, Yens 71 15/16, all for near delivery. The official rate for T/T on London is unchanged at 2/7 1/8d.

Our stocks of silver are reported as follows:—

Sycee and Bar Silver ..... Tls. 54.770,000 a decrease of Tls. 242,000

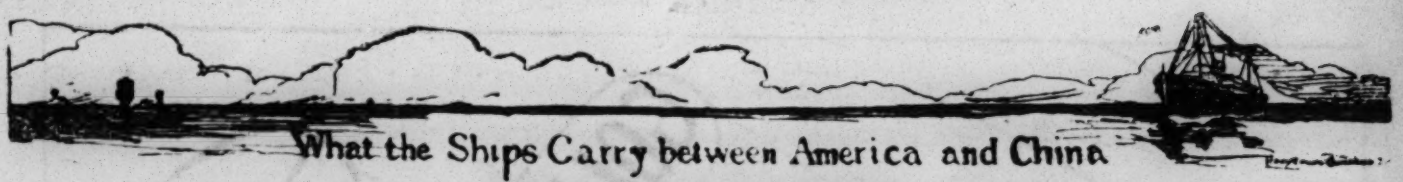
Chinese and Mexican Dollars..... $ 90,720,000 a decrease of $ 1,950,000

Estimated value Tls. 120,088,000 as against Tls. 122,979,000 held at this time last year.

	Average rates for Aug.	Thursday. Sept. 6th	Friday Sept. 7th	Saturday Sept. 8th	Monday Sept. 10	Tuesday Sept. 11	Wed. Sept. 12
Bank's selling rates		*opening* *closing*	*opening* *closing*	*opening* *closing*	*opening* *closing*	*opening* *closing*	*opening* *closing*
T/T London	2/7.740	2/7 1/8	2/7 1/8	2/7 1/8	2/7 1/8	2/7 1/8	2/7 1/8
D/Dfts "	—	2/7 9/16	2/7 9/16	2/7 9/16	2/7 9/16	2/7 9/16	2/7 9/16
4 m/s "	—	2/7 3/4	2/7 3/4	2/7 3/4	2/7 3/4	2/7 3/4	2/7 3/4
T/T India	176.630	175	175	175	175	175	175
T/T France	1,641,731	1630	1630	1630	1630	1630	1630
T/T N. Y.	64.231	63 3/4	63 3/4	63 3/4	63 3/4	63 3/4	63 3/4
T/T Demand		63 7/8	63 7/8	63 7/8	63 7/8	63 7/8	63 7/8
T/T Hamburg		267	267	267	267	267	267
T/T H'kong	77.168	77 3/8	78	78	78	78	78
T/T Japan	70.332						
T/T Batavia	160.038	72 1/8	72 1/4	72 1/4	72 1/4	72	72 1/4
T/T Straits	87.452	158 1/2	158 1/2	158 1/2	158 1/2	158 1/2	158 1/2
Bk's buying rates 4 m/s B/L. Cred. D/A	2/9.740	88 1/2	88 1/4	88 1/2	88 1/2	88 1/2	88 1/2
4 m/s " D/P	—	2/9 1/2	2/9 7/16	2/9 7/16	2/9 1/2	2/9 1/2	2/9 1/2
6 m/s " B/L Cred D/A	2/10.053	2/9 5/8 2/9 11/16	2/9 5/8 2/9 11/16	2/9 5/8 2/9 11/16	2/9 5/8 2/9 11/16	2/9 5/8 2/9 11/16	2/9 5/8 2/9 11/16
4 m/s B/F Cred D/A or D/P							
4 m/s N.Y.Lc.	1,725,961	1710	1710	1710	1710	1710	1710
4 m/s " Docs	67.481	67 67 1/2	67 67 1/2	67 67 1/2	67 67 1/2	67 67 1/2	67 67 1/2

†Based on Daily Official quotation, higher rate taken on rising Market, lower when falling. Bullion.	Sept. 6	Sept. 7	Sept. 8	Sept. 10	Sept. 11	Sept. 12
*London Price of Bar Silver per oz. (English Standard 925 touch)...Pence	26 5/8	26 9/16	26 1/2	26 9/16	26 11/16	26 9/16
**New York Price of Bar Silver per oz. (Pure)	G. $.58 1/8	G. $.57 3/4	G. $.57 3/4	G.$.57 7/8	G.$.57 7/8	G. $.57 3/4
Shanghai Price of Gold Bars (weight Tls. 10 (Chauping) 978 touch).....	Tls. 350 10	Tls. 351	Tls. 352 80	Tls. 349 50	Tls. 350 90	Tls. 325 20
Shanghai Silver Bars (weight Tls. 100(C.) 999 touch)	110 90	110 90	110 90	110 90	110 90	110 90
Shanghai Mexican Dollars per $100.....	71.9	71.95	71.9625	71 95	71.9625	71.9325
Native Bank Rate of Interest (Call money).....	2 1/8%	2 1/2%	2%	3%	2 1/8%	2 1/2%
*Closing Price in London for Previous day						
**Closing Price in New York for Previous day						

Bank of England rate of discount	4 1/2%	London Paris on	T/T 124.22
Bank of France rate of discount	3 1/2%	New York on London	T/T 485 3/8
London open Market of Dis. 3 m/s	4 5/16%	Bombay on London	T/T 1/5 13/32
" 4 "	4 3/8%	Hongkong on London	T/T 2/0
" 6 "	4 7/16%	Kobe on London	T/T 1/10 3/4



What the Ships Carry between America and China

Return of the Shanghai Customs

Pls.—1 Picul or 133 1/3 pounds; Bls.—Bales; Pcs.—Pieces; Mille—thousands; Hk. Tls.—Haikwan Tls.; Aug Customs Rate Tls. 1.38 equal Gold $1

RESIDENT HARRISON, Aug. 7.

From U. S. A.

Sheetings, White, over 41 in. wide	Yds.	2,488
Motor-cars	Pls.	14
Cotton Yarn, Counts over 45	,,	4
Aluminium Sheets	,,	137
Aluminium-foil	Pls.	47
Brass Tubes	,,	9
,, ,, Old	,,	254
Iron Nails, Cut	,,	34
Steel Bar Ends	,,	481
,, Hoops	,,	108
,, Screws	,,	121
,, Washers	,,	15
Steel, Galvanized: Sheets, Plain	Pls.	2,191
Ammonia, Sulphate of	,,	840
Bronze, Powder	,,	2
Canned Fruits	,,	131
Canned Asparagus	,,	22
Cement	,,	45
Cuttle-fish,	,,	77
Indigo Paste, Artificial: 20 per cent.	,,	1,750
50 ,,	,,	74
Leather, Cow, Patent	,,	6
,, ,, Finished	,,	7
Leather, Calf	,,	14
,, Sole	,,	46
Oranges, Fresh	,,	544
Paper Covers	,,	12
Paper, Cardboard	,,	33
,, Printing	,,	39
,, Writing	,,	170
,, Unclassed	,,	199
Ink, Printing	,,	175
Raisins, Dried	,,	869
Shrimps, ,,	,,	19
Soda Ash	,,	796
Sulphur Black	,,	251
Shirts, Cotton	Doz.	109
Files	,,	870
Milk, Malted	,,	43
Cigars	Mille	20
Lemons	,,	86
Oil, Lubricating, Mineral	Galls.	11,809
Shoes,	Pairs	4,757
Machinery	Hk.Tls.	25,149
Automobiles, Parts of	,,	7,970
Infants' Food	,,	1,534
Dyes, Aniline	Pkgs,468 Hk.Tls.	30,392
Treasure: Silver Bars	Hk.Tls.,	1,466,864
,, Bullion	,,	406,982

KENTUCKY, August 10.

To U. S. A.

Tea, Green: Young Hyson, Hangchow	Pls.	8
Young Hyson, Kiukiang	,,	7
Hyson, Kiukiang	,,	29
Gunpowder, Hankow	,,	5
Gunpowder, Ningpo	,,	24
Tea Leaf, Unfired, Hankow	,,	307
Cotton Rags	Pls.	1,249
Oil, Wood	,,	9,794

TAIYO MARU, August 11.

To U. S. A.

Silk, Raw, Re-reeled: White, other Ports Bls. 36	Pls.	36.39
Silk, Raw, Reeled from Doupions Shanghai Bls. 5	,,	4.80
Tea, Green: Gunpowder, Ningpo	Pls.	129
Brassware	,,	35
Egg Yolk, Dried	,,	122
Eggs Fresh	Pcs.	30,400

ARIZONA MARU, August 13.

from U. S. A.

Timber: Ordinary, Sawn Softwood	Sup.ft.	498,986

PRESIDENT MADISON, August 16.

To Honolulu.

Tea, Green, other kinds, Shanghai	Pls.	5

To U. S. A.

Silk, Raw, Steam Filature: White, Shanghai Bls. 60	Pls.	60.11
,, other Ports Bls. 5	Pls.	5.05
Yellow, other Ports Bls. 5	Pls.	5.00
Silk Piece Goods	,,	2.24
Silk and Cotton Piece Goods	,,	2.33
Tea, Black: Congou, Hankow	,,	136
Tea, Green: Gunpowder, Ningpo	,,	117
Young Hyson, other Ports	,,	16
Hyson, other Ports	,,	31
Egg Yolk, Dried	,,	210
Brassware	,,	92
Books, Printed	,,	3
Bristles, Assorted	,,	50
Hair, Human	,,	160
Wool, Sheep's	,,	204
Chinaware, Fine	,,	38
Oil, Wood	,,	4,500
Intestines, Pig	,,	26
Goat Casings	,,	4
Skins, Dog, Tanned	Pcs.	2,136
,, Goat ,,	,,	1,885
,, Wolf, Untanned	,,	195

LYCAON, August 18.

To U. S. A.

Tea, Green: YoungHyson,Kiukiang	Pls.	32
Hyson, Kiukiang	,,	19
Gunpowder, Ningpo	,,	40
Tea, Black, other kinds, Shanghai	,,	1
Bristles	,,	50
Tungsten Ore	,,	1,260
Hats, Hemp Fibre	Pcs.	4,728

ROYAL PRINCE, August 18.

To U. S. A.

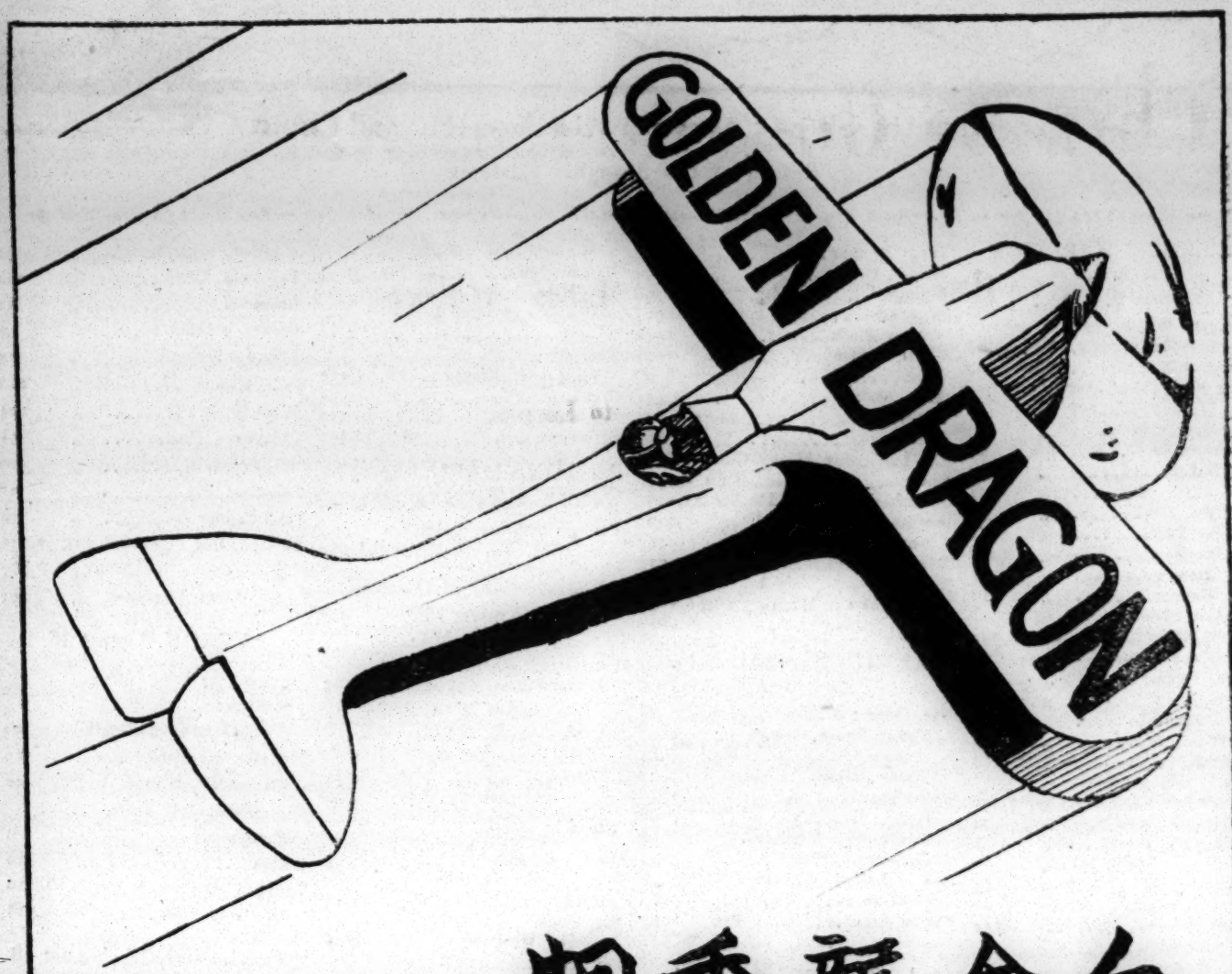
Bristles	Pls.	50

Latest New York Stock Exchange Quotations

Tel. 18891-18990 Sept. 11

Market Closed Irregular. Business done 4,300,000

STOCK	Monday Sept. 10	Tuesday Sept. 11
Allied Chemical & Dye (Common)	196	199⅜
American Can (Common)	105⅞	107½
American Radiator	156½	154½
American Smelting	244	250
American Telephone & Tel. (Common)	181¼	181¾
American Tobacco "B"	169¼	169⅞
Armour & Co. "A"	24½	23⅜
Armour & Co. (Ill.) 7% Pfd.	87½	89½
Anaconda Copper	75¼	77⅝
Baltimore & Ohio	113	113¼
Bancitaly Corp.	144⅜	141½
Bank of Montreal	373	365
Bethlehem Steel (Common)	63⅜	64¾
Bethlehem Steel, 7% Pfd.	117	117
Canadian Marconi	7⅝	7¼
Canadian Pacific Railway	211⅝	211½
Canada Dry Ginger Ale	82½	82⅛
Cerro de Pasco	80	84¼
Chile Copper	48	52⅜
Chrysler	102⅛	103¼
Consolidated Gas of New York	81	80¼
Coty Incorporated	201	199
Du Pont de Nemours E. I. (Common)	387	383
Eastman Kodak	182	180½
Electric Investors	69⅝	70
Fox Film "A"	115	115¼
General Cigar	62¾	62⅝
General Electric Co.	166½	170½
General Motors	201	201½
Hudson Motor Car	81⅝	80⅝
Industrial Rayon	117½	117
Interboro Rapid Transi	44¾	45⅜
International Cement (Common)	63	67¾
International Match, Pfd.	107⅛	108
International Nickel (Common)	126¼	130⅛
International Products Corp. (Common)	15¼	None
International Products Corp., Pfd.	None	None
International Telephone & Teleg.	180¼	181
Kelvinator	9⅜	9
Kennecott Copper	97⅛	98⅞
Liggett & Myers, Class "B"	92¾	92
Loews Inc.	64	64¾
Lorillard Company (Common)	31½	31½
Madison Square Garden	23⅛	23
Missouri Pacific By.	73⅞	73⅜
New York Air Brake Co.	45½	45⅛
New York Central (Common)	173	174⅛
North German Lloyd 6's 1947	93½	93¾
Pacific Gas & Electric Co.	52¾	52½
Packard Motor Car Co. (Common)	83½	84
Pennsylvania Railroad	63¾	64⅜
Radio Corporation	207½	207
Remington Rand (Common)	26⅝	26⅝
Reynolds Tobacco, "B"	143	143
Sears, Roebuck & Co.	152¼	155⅝
Schulte Retail Stores	60½	60⅛
Standard Gas & Electric (Common)	68⅝	68⅝
Standard Oil of California	58⅞	58⅝
Standard Oil of Indiana	76¼	76
Standard Oil of New Jersey	45⅛	44⅞
Standard Oil of New York	35⅝	35½
Texas Corporation (Common)	67½	68½
Texas Gulf Sulphur	71⅛	71¼
Timken Roller Bearing	140	140
Union Carbide	170	181½
Union Pacific Railroad (Common)	195¼	195⅜
United States Leather	62¾	62⅞
United States Realty & Imp Co.	82½	82¼
United States Rubber (Common)	41¼	41⅞
United States Rubber, 8% Pfd.	74	74
United States Steel	154¼	156¼
Wright Aeronautical	160	185



白金龍香烟

NO:B136.

風雾雾行

南洋兄弟烟艸公司出品

Why the Sale of the
GOLDEN DRAGON CIGARETTES
shoots up like a non-stop flier ?

Ask a discriminating
smoker
about their going quality.

Chinese Government Railways

Peking-Hankow Line

"The Road Through the Heart of China"

For the safety of the travelling public, guard vans with armed police are provided for every train and more than 400 armed railway policemen are on duty at the various large stations.

To facilitate the passengers in making fast connections, local trains are run between Chengchow and Chang Teh and between Hankow and Kouang Choei.

To meet the demands of the travelling public, third class tickets are sold on the Special Express Trains running between Hankow and Chengchow with only a small additional charge.

For the comfort and convenience of the passengers, the Dining and Sleeping cars are newly embellished with all modern improvements.

For quick transportation of goods, many additional freight trains are scheduled under the supervision of our Traffic Department.

In spite of the urgent demand for troop trains, our regular trains are always operated on scheduled time.

TIME TABLE

TRAIN	DEPART FROM	ARRIVE AT
* 1 Express	Hankow (T.C.M.) Every Monday 10 P.M.	Chengchow Every Tues. 6:55 P.M.
+ 2 Express	Chengchow Every Thurs. 10 P.M.	Hankow (T.C.M.) Every Fri. 8:40 P.M.
‡ 5 Local	Hankow (T.C.M.) 6:10 P.M. Daily	Chengchow 6:43 A.M. Third Day
6 Local	Chengchow 7:15 P.M. Daily	Hankow (T.C.M.) 6:48 A.M. Third Day
51 Local	Chengchow 8:00 A.M. Daily	Chang Teh 5:00 P.M.
52 Local	Chang Teh 8:23 A.M. Daily	Chengchow 5:45 P.M.
74 Local	Hankow (Y.T.M.) 7:30 A.M. Daily	Kouang Choei 1:38 P.M.
75 Local	Kouang Choei 8:00 A.M. Daily	Hankow (Y.T.M.) 2:10 P.M.

REMARKS: *With First and Second Class Sleeping and Dining Cars. +Third Class tickets are sold on this train with a small additional charge. ‡With 1st, 2nd, 3rd Class Cars and Dining Cars.

Telegraphic Address "KINCO" Code A. B. C. 5th Edition. For further information, address Hankow Line, Managing Director, Peking-Hankow.

Lung-Hai and Pien-Lo Lines

In Operation: From Tapu (Haichow) to Lingpao: 825 Kilometers

In Construction: From Lingpao to Sianfu: 225 Kilometers

"The Great Overland Route in China"

This Line will soon become the most important Railway in China, connecting as it will, the remote provinces of Kansu, Shensi and Honan with the sea and passing through the ancient and famous capitals of Lanchow, Sian, Loyang and Kaifeng.

There are many points of historical interest to visit along the line, the best known being Lung-Men with its gigantic display of carved stone Buddhas, dating back from the introduction of Buddhism into China, some 2000 years ago.

The Lunghai and Pienlo Lines are connected at Hsuchow with the Tientsin-Pukow Railway and at Chengchow with the Peking-Hankow Railway.

An "Express" train runs thrice a week between Hsuchow and Chengchow leaving Hsuchow Monday, Wednesday and Friday, and leaving Chengchow Tuesday, Thursday and Saturday. This train is provided with 1st and 2nd class cars, sleeping and dining accommodations.

For further particulars, intending passengers are requested to apply to the Shanghai Office, Lunghai Railway Administration, at the Chung-Foo Bank Building, 25 Jinkee Road.

Shanghai

It doesn't really matter—

Whether you are beating carpets——

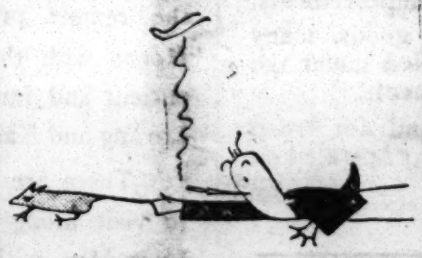
—or whitewashing the walls—

—raising fowls——

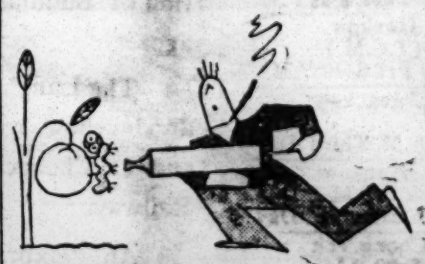
—or turning the mangle—

—doing a little gardening—

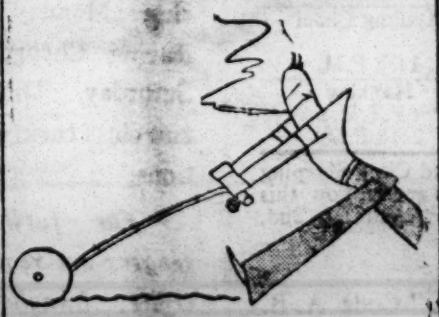
—or a little carpentering—



—maybe catching a rat or two——



—or fruit farming——

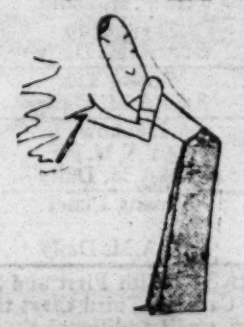


——rolling the lawn——

—or taking gentle exercise—

——even a spot of bronco busting——

—or mountaineering—



—you'll do it better with a CAPSTAN to soothe you—try it!

EB-671 This advertisement is issued by the British-American Tobacco Co. (China) Ltd.

中華郵政特准掛號認爲新聞紙類

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